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Warsaw to Free 1,000 Activists And Ease Curbs

WARSAW — The martial law regime announced Wednesday it would release 1,000 persons from detention, lift the night curfew and ease restrictions on travel and communications, beginning next week.

It said Jan Kulaj, who led the farmers' branch of the suspended independent union Solidarity, already had been released.

The announcement, broadcast on television, was the most significant easing of martial-law curbs since the Dec. 13 military takeover ended 16 months of labor upheaval and social reform here.

It came hours after Archbishop Jozef Glemp announced in Rome that Pope John Paul II was postponing his August visit to Poland. There was speculation that the Polish-born pope may have agreed to put off the trip in exchange for human rights concessions by the martial-law authorities.

"I believe that the pope's trip must be postponed for a little while," Archbishop Glemp said after the pope's weekly general audience in St. Peter's Square. Polish sources at the Vatican said that his statement meant that the trip already had been postponed. The archbishop, asked if the trip would take place next year, replied: "No, unless the situation calms down."

Talks on Church Policy
Archbishop Glemp, Poland's Roman Catholic primate, is in Vatican City this week for talks with the pope about church policy opposing martial law. He met with the Polish leader, Gen. Wojciech Jaruzelski, on Sunday, the eve of his departure.

The archbishop had called on the government, repeatedly this month, to release the women who make up about 20 percent of the 3,100 persons interned under martial law. Nearly all those detained are Solidarity activists.

Mr. Kulaj, who represented the 2.5 million private farmers among Solidarity's 9.5 million members, has been held in isolation since the crackdown. His release indicated the importance the Communist regime placed on private farmers, who produce about 70 percent of Poland's food.

The announcement Wednesday

said: "Because of the further stabilization of the situation in the country, the minister of internal affairs has ordered the release of 800 persons interned and placed on leave 200."

"The decision affects those persons whose behavior up to now allows the conclusion that their further behavior will not become a threat to social peace and the security of the state."

Kulaj Statement Reported

It did not mention the ruling Military Council's stand on reviving Solidarity, and did not say if the union's leader, Lech Walesa, would be among those released.

It said, however, that Mr. Kulaj, the head of Rural Solidarity, was freed and quoted him as saying he would "welcome" the chance to work with the state-controlled farmers' organization.

The government also announced that the 11 p.m.-to-5 a.m. curfew imposed in December would be lifted Sunday and that the decision to reimpose it would be left to provincial governments.

Other curbs it said would be lifted in May include:

- Permit requirements for gatherings and assemblies organized by approved government committees, conferences, training meetings and courses set up by operating social groups and tourist excursions organized by factories and institutions;
- A ban on travel to areas along the Czechoslovak border;
- A ban on issuing visas for representatives of industrial firms and foreign trade or diplomatic missions;
- Requirements that operators place domestic telephone calls.

Both the Military Council and the Interior Ministry issued separate communiqués, however, warning that the eased restrictions did not mean an end to arrests and detentions.

"Interment can be applied throughout the duration of martial law," the Interior Ministry said. "Decisions on internment are made also with respect to persons who, after their release from isolation centers, have not taken the opportunity to return to normal life and resumed illegal activity."



Pope John Paul II talked with Archbishop Jozef Glemp, left, during his weekly general audience.

Haig Speech on Policy Is Viewed As Setting Stage for Moscow Talks

By Michael Getler
Washington Post Service

WASHINGTON — Secretary of State Alexander M. Haig Jr., in a speech that appeared to set the stage for opening discussions with Moscow on reducing strategic nuclear arms, said that "nothing is to be gained by appearing to fear diplomatic discussions" with the Kremlin on this subject.

His remarks Tuesday came during a speech to the U.S. Chamber of Commerce in Washington that the secretary personally touted as "an important foreign policy address."

Contending that "important changes are taking place in the world and in the Soviet empire that may make Moscow more amenable to the virtues of restraint," Mr. Haig said, "We can no more solve our problems by avoiding the negotiating table than by resting our hopes on it alone."

In Mr. Haig's view, "Soviet prospects have dimmed" at home and around the world, with "Moscow's allies in deep economic trou-

ble ... the Soviet growth rate declining ... and agricultural shortfalls persist." The United States, he said, therefore has "an historic opportunity in dealing with the Soviet Union" provided that the United States maintains strong defenses.

Meant for Kremlin

Although Mr. Haig's message appears to have been aimed especially at those now maneuvering for power in Moscow as the era of President Leonid I. Brezhnev draws to a close, officials said it was also meant for the current regime in the Kremlin.

Informed sources said Tuesday that they expected President Reagan to make a major speech on East-West relations next month and that it likely would include an announcement of a proposed starting date for the strategic arms talks.

Mr. Haig appeared to challenge hardline U.S. critics of negotiations about the inconsistencies of their arguments. "We cannot claim that we are too weak to negotiate and at the same time insist that we

are strong enough for a policy of all-out confrontation" with Moscow.

In the speech, Mr. Haig also delivered a strong defense of U.S. alliances — but made no mention of the current imbroglio involving Britain and Argentina in the South Atlantic. He warned those calling for withdrawal of U.S. troops from Europe or trade barriers against Japan that, as Churchill said, "the only thing worse than fighting with allies is fighting without them."

Third World Ties

In a third major element of his speech, the secretary also called for the West to "seize this opportunity" to develop better ties with leaders of developing countries of the "Third World," even those with ties to Communism.

"Marxist-Leninist ideology has often been the locomotive that brought them to power," Mr. Haig said, "but it has not become an engine for progress ... and many countries with direct experience of

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London Will Blockade Falkland Islands Friday With Total Air, Sea Ban

By R.W. Apple Jr.
New York Times Service

LONDON — Britain escalated its military pressure on Argentina Wednesday with the announcement that it would impose a total sea and air blockade around the Falkland Islands on Friday.

The announcement of the blockade, which applies to all ships and planes, civil and military, of all nations, came as both countries weighed a last-minute peace plan submitted by the U.S. secretary of state, Alexander M. Haig Jr. According to British and American sources, it contained no guarantee of ultimate Argentine sovereignty and no pledge of self-determination for the islanders. It was therefore considered unlikely to win acceptance either in Buenos Aires or in London.

At the same time, military planners in London confirmed that small troop units had already been put ashore in the Falklands, which have been held by the Argentines since April 2. Their task is to pave the way for the large-scale invasion that is expected soon by British politicians. The junta in Buenos Aires predicted that major landings of some sort were anticipated in 24 to 48 hours.

Military analysts expected a first strike in a remote area of the South Atlantic archipelago, well away from the main concentrations of Argentine troops. The islands offer many potential landing sites.

Destination Reached

By announcing the blockade and setting the stage for a military showdown with Argentina, Prime Minister Margaret Thatcher's government indirectly confirmed that the main section of the British task force had reached its destination. Enforcement of an air blockade will require the surface-to-air missiles carried by the fleet's destroyers and frigates and the Harrier jet-based carriers.

The Ministry of Defense said that the blockade, an intensification of the "maritime exclusion zone" established April 12, would take effect at noon Friday, London time. It warned that any ship or plane entering the area, any ship in the harbor at Port Stanley and any plane on the ground at the Falkland airstrip would be regarded as hostile and will be liable to be attacked. "Asked about Soviet spy ships that have trailed the task force on its 8,000-mile (12,800-kilometer) voyage to the South Atlantic, a ministry spokesman said, 'Every nation must take account of the zone.'"

As the crisis moved toward a climax, there were also the following developments:

- Opposition support for the prime minister's strategy eroded significantly, with the Labor Party's governing body, the National Executive Committee, unanimously approving a motion urging Mrs. Thatcher to avoid further escalation.
- One of the almost 200 Argentine prisoners seized in the British recapture on Monday of South Georgia, 800 miles east of the Falklands, was said by the Defense Ministry to have died in "a serious incident." No details were given, but a board of inquiry is to investigate the episode.
- Britain's allies in Europe, who have voted economic sanctions against Argentina, were reported to be urging Mrs. Thatcher to continue to seek a peaceful settlement and to be cautioning that they might have to reevaluate their position.

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Prime Minister Thatcher greeted a Thai delegation at Downing Street after an emergency Cabinet meeting on the Falklands.

Argentina Considers Last-Minute U.S. Plan

From Agency Dispatches

BUENOS AIRES — Argentina is studying a last-minute U.S. peace proposal for settling the Falklands dispute and is keeping open all diplomatic channels for negotiation, an Argentine spokesman said Wednesday.

But the ruling junta also said in a communiqué that British military operations were expected in the Falklands area in 24 to 48 hours and warned that it may strike at the British before they try to enforce a land and sea blockade.

"There comes a time that a defensive action must necessarily become an offensive action, and we will make that decision at the proper moment," the communiqué said. It came shortly after an announcement by the British Defense Ministry that an air and sea blockade would be imposed Friday morning around the islands.

'Yellow Alert'

On Tuesday, the junta put the country on "yellow alert," in preparation for a possible invasion of the islands. Civil defense personnel, doctors, police and firefighters in the province nearest the Falklands were placed on 24-hour call.

About 1,800 miles (2,880 kilometers) of coastline were put off limits to 48 foreign reporters were given until noon Thursday to leave the southern city of Comodoro Rivadavia, which is a staging area for airlifting troops and supplies to the islands.

Presidential spokesman Rodolfo Balbierrez said Wednesday that a new offer by the United States to send Secretary of State Alexander M. Haig Jr. to Buenos Aires on a peace mission had not been rejected.

In Washington, officials said the United States had given Buenos Aires detailed proposals for settling the dispute. The proposals, which are being referred to by Argentine officials as an American plan, are actually refinements of ideas that have evolved from Mr. Haig's contacts with both Argentina and Britain, they said.

The officials said the proposals call for Argentina to withdraw

from the Falklands in accordance with a United Nations Security Council resolution, and for Britain to ease its military pressure in the area.

This would set the stage for a period of negotiations over the islands' status, during which the islanders would be able to express their views. U.S. military units would be sent to the area to monitor the pullback of forces of both sides.

The State Department has not publicly discussed the elements of Mr. Haig's proposals because of the sensitivity of the diplomatic effort. U.S. officials suggested that they now are willing to discuss the broad outline of the proposals because of what they called misunderstandings that had arisen.

Some Argentine officials were quoted Tuesday as saying a suggestion that Mr. Haig should return to Buenos Aires for further talks had been rebuffed by the Argentine government. U.S. officials said that was not true.

Mr. Haig is prepared to fly to Buenos Aires in a renewed attempt to avert war, U.S. officials said Wednesday.

They said that Mr. Haig had decided that it "would be better to present our ideas directly to the Argentine government" rather than dealing with Argentine Foreign Minister Nicanor Costa Mendez, who has been in Washington for a meeting of the Organization of American States.

They said that Mr. Haig conveyed the U.S. proposals to Mr. Costa Mendez early this week.

Mr. Haig and the Argentine minister were to have met Sunday to discuss the issues. But a meeting was postponed by the Argentines after British forces moved to recapture South Georgia Island, 800 miles (1,280 kilometers) east of the Falklands.

Nevertheless, the two men conferred extensively by telephone.

"Now we're in a holding pattern, waiting for a response to the proposals," a U.S. official said Wednesday. "The Argentines have not rejected them."

Return of Sinai Leaves Egypt With Huge Building Task

Ambitious Projects Seek To Rival Israeli Success

By David Lamb
Los Angeles Times Service

SHARM EL SHEIKH, Egypt — Having gotten back the Sinai, Egypt is now faced with the problem of what to do with this huge chunk of real estate that no one besides the Israelis ever bothered to develop.

Its plans, announced piecemeal over the past few weeks, are ambitious ones, designed to transform the barren desert into a productive oasis, but they do not include asking for help from the one people who are masters at this task — the Israelis.

Traditionally the Sinai has been dismissed as nothing but a military buffer zone unfit for any humans



The boundary fence in Rafah, divided when Egypt took control of the Sinai Peninsula. The patrol jeep at the right is Israeli.

Jerusalem Mood Is Testy Over Razing of Villages

By David K. Shipler
New York Times Service

JERUSALEM — Sunday's withdrawal from Sinai has left Israel in a testy mood.

The compromise in the south has reinforced a toughened posture on other fronts, especially toward the Palestinian Arabs in Lebanon and the West Bank. A period of tension is foreseen, with the risk of warfare across the Lebanese border remaining high.

The Israeli attitude comes less from the sheer fact of relinquishing the military asset of the Sinai than from the way it was done — the Jewish militants barricaded in settlements, screaming prayers and

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curse, threatening violence against themselves and soldiers, being manacled and dragged writhing from behind their fortifications.

The protesters failed to stop the withdrawal, but they achieved another of their goals, which was to traumatize the country so that nobody, at least now, can imagine ever dismantling Jewish settlements on the West Bank.

They accomplished this with the cooperation of Defense Minister Ariel Sharon, for it was his decision to send a battalion of bulldozers against the concrete apartments of Yamit, the seaside town that was the stronghold of the militants.

He argued that eviction once and for all would be easier if there were no town left for the protesters to infiltrate again.

But the demolition of the buildings had more impact on Israel than the eviction of the people. Even liberal-minded Israelis who denounced the demonstrators as chauvinists and fanatics were in anguish as they watched the first voluntary destruction of a Jewish settlement in the history of the Zionist movement; it seemed to contravene a fundamental ethic of Zionism, the principle by which a Jewish state had been created, piece by piece, settlement by settlement.

Mr. Sharon, the chief architect of Israel's settlement program on the West Bank, moved swiftly to heal the national suffering by turning the anguish into a renewed settlement drive.

He said that Sinai would be the final compromise. His ministry took out full-page ads inviting the public to inaugurate ceremonies Wednesday, independence day, at 11 new settlements, eight of them on the West Bank. Plans for an additional seven, five of them on the West Bank, were completed.

Eternal Sovereignty

Moreover, Prime Minister Menachem Begin repeated Israel's claim to eternal sovereignty over the occupied West Bank, notwithstanding the Camp David accord's provision that after a five-year period of Palestinian "autonomy," or self-administration under Israeli occupation, the status of the territory will be resolved in negotiations among Israel, Egypt, Jordan and the Palestinians.

"My opinion," Mr. Begin told the Egyptian weekly Mayo in an interview published Monday, "is that after the transitional period, we shall put out the claim to our paternal right, and then, if it is decreed that it should be Israel's sovereignty over that part of

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except soldiers and nomads. The British colonialists used it as a protective strip between Egypt and the Turkish empire and later the Egyptians used it for the same purpose to separate themselves from the Israelis.

But the Israelis captured the Sinai in 1967 and, until withdrawing Sunday under terms of the Camp David accord, managed to accomplish more in 15 years than others had done in centuries. They paved roads, built tourist hotels, settlements and airports, installed telephone lines and planted trees and flowers that helped make the desert bloom.

The Egyptians are keenly aware of the Sinai's economic potential and the fact that they will appear incompetent if they ignore the peninsula after the Israelis nurtured it. The government of President Hosni Mubarak will hold a conference May 5 to discuss the Sinai's development. In the meantime it is studying how to implement the promises it already has made.

Every bedouin, the government says, will get five acres and a house. There will be an apartment for every married laborer. Six police departments, nine passport offices and three colleges will be established. Water will be piped in from the Nile, telephone connections with the rest of Egypt will be set up and the area around El Arish, President Mubarak said last year, will be the prototype of the Sinai's "green revolution."

Egypt envisions the Sinai absorbing as many as 2 million people — or one of every 22 citizens — from its overcrowded cities. Several sites along the Gulf of Aqaba are being considered as possible international tourist attractions.

Even with the \$160 million Egypt plans to spend for development in the Sinai, some of these plans are so ambitious as to be implausible. Others may be difficult to achieve because the 250,000 mostly nomadic Sinai inhabitants — who are exempt from paying taxes to Egypt — have never felt any particular sense of national loyalty to any country.

The Sinai's prime economic value at this point is oil. The Alma oil fields in southern Sinai, which the Israelis developed during their occupation, and the offshore wells in the Red Sea and Gulf of Aqaba earn Egypt about \$2.5 billion a year. That region was returned to Egypt during the earlier stages of Israel's phased-out withdrawal that began in May, 1979.

The Sinai also produces substantial quantities of dates and olives, and with its stark vistas, rugged mountains, endless beaches and excellent scuba diving could become an important tourist center.

INSIDE

New Debate on Failed Hostage Rescue

New disclosures on the U.S. military's aborted attempt to rescue American hostages from Iran two years ago have reopened the debate about that "searing national experience." Insights, Page 6.

Focus on Thailand

A report on Thailand, which is celebrating the bicentennial anniversary of the present dynasty and the founding of Bangkok, appears today on Pages 9S-12S.

TOMORROW

Banking and Finance in Italy

A special supplement looking at banking and finance in Italy will appear on Friday.

OAS Supports Argentina's Claim To Islands, Asks Immediate Truce

By John M. Goshko
Washington Post Service

WASHINGTON — The Organization of American States, overriding U.S. objections, voted Wednesday to approve a resolution recognizing Argentine sovereignty over the Falkland Islands and calling on Britain to cease all hostilities in the South Atlantic.

The resolution, which urged both governments to call an immediate truce, was passed 17 to 0, with the United States, Chile, Colombia and Trinidad abstaining.

The United States had been fighting an uphill battle through the night to dissuade the OAS from adopting the nine-point resolution, which included pro-Argentine language that U.S. officials regarded as harmful to U.S. efforts to mediate the dispute.

U.S. Objections

The United States objected to sections of the resolution that recognize Argentina's "right of sovereignty" over the disputed islands, that "deplore" the action of Britain's European Economic Community partners in imposing sanctions against Argentina, and that, in the U.S. view, call on Britain to

make a greater show of good faith than is asked of Argentina.

Removal of these provisions would have brought the resolution into conformity with the appeal Monday by Secretary of State Alexander M. Haig Jr. for pursuing a solution based on a United Nations Security Council resolution that calls for an end to hostilities, an Argentine withdrawal from the islands, and negotiations over their future.

That, however, would have been unacceptable to Argentina, which sought a show of Latin American solidarity to help it counter the backing that Britain has received in the United Nations and elsewhere.

Since the meeting began Monday, an almost unbroken procession of Latin foreign ministers and ambassadors proclaimed that the sympathies of their governments were with Argentina.

But the resolution contains no call for OAS members to take economic, diplomatic or military action against Britain under the 1947 Rio Treaty of reciprocal hemispheric assistance.

The original draft resolution, which was introduced by Brazil

and Peru, contained a phrase expressing gratitude to Mr. Haig for his mediation effort. But the final draft merely "took note" of the information Mr. Haig had provided.

Although Argentina invoked the Rio Treaty to call the OAS into session, it refrained from asking for specific steps because it was clear that other Latin American countries would not go beyond rhetorical support.

Sympathy From Nicaraguan

Among the many foreign ministers proclaiming sympathy for Argentina was Miguel D'Escoto of Nicaragua.

Nicaragua's revolutionary government has charged that the United States is trying to destabilize it with a program of covert action that allegedly includes plans for training of anti-government insurgents by agents of Argentina's rightist military regime.

Mr. D'Escoto, in an apparent reference to his country's dispute with the United States, said, "Nicaragua understands perfectly how painful this type of situation is, because the sister republic of Argentina is not the only country which suffers it."

WORLD NEWS BRIEFS

Compiled From Agency Dispatches

Seoul Minister Quits Over Killings

SEOUL — South Korea's interior minister resigned on Wednesday in connection with the killing of 56 persons by a drunken policeman. A presidential spokesman said that the new minister was Ro Tae Woo, a retired general who played a role in the rise to power of President Chun Doo Hwan. Gen. Ro, 49, is viewed by diplomats in Seoul as the second most influential figure in South Korea after the president. He retired from the army in July after commanding its intelligence service. Sub Chung Hwa quit as interior minister after the eight-hour rampage through five villages by policeman Woo Bum Kong, who killed the 56 persons with rifles and grenades, then killed himself, after arguing with his common-law wife. Mr. Suh visited the villages and said that he had to take responsibility for the deaths because Mr. Woo was his subordinate.

Montazeri Seen as Next Iran Leader

LONDON — Ayatollah Hossein Ali Montazeri, a hard-line fundamentalist cleric, is the favored choice to lead Iran after Ayatollah Ruhollah Khomeini dies, Ayatollah Khomeini's son said Wednesday. Hojatoleslam Ahmad Khomeini told the Tehran newspaper Ertisat that Ayatollah Montazeri, because of his part in the struggle against the shah and his status as a distinguished theologian, "will undoubtedly have the future leadership of the revolution." He said a team of experts to be given the task of choosing a successor to Ayatollah Khomeini would vote for Ayatollah Montazeri, who is a top aide of the Iranian leader.

Britain Again Halts EEC Farm Accord

LUXEMBOURG — Britain on Wednesday repeated its refusal to allow increases in European Economic Community farm prices until it gets refunds on its EEC budget payments. Britain's attitude was made clear in a statement at the start of a meeting of EEC agriculture ministers meeting in Luxembourg, apparently dashing any hopes for an early settlement of the farm prices issue. The EEC Commission has proposed price increases averaging around 10.5 percent, and officials have said agreement on this could be reached. But Britain has linked its approval of the increases to more than \$1 billion per year in annual budget rebates, for at least five years. The most its partners appeared ready to offer was \$800 million for three years.

Daily News Ends Talk With Allbritton

NEW YORK — The Tribune Co. of Chicago announced Wednesday that it has canceled its agreement with the Texas financier Joe Allbritton for the sale of the New York Daily News. A Tribune statement said that the Daily News has asked to meet with the Allied Printing Trades Council on Friday, and that there would be no additional comment before that meeting. The announcement was made two days after the Tribune Co. extended by five days to May 5 Mr. Allbritton's option to buy the paper. There was no immediate explanation about why the negotiations were canceled. Mr. Allbritton has asked \$70 million in savings from the unions through the elimination of 1,600 full-time jobs or their equivalent, a two-year wage freeze and a five-year, no-strike contract. He offered to share any future profits with remaining employees.

Rightists Claim French Kidnapping

PARIS — A rightist group claiming to have kidnapped a wealthy and controversial author demanded on Wednesday that President Francois Mitterrand fire his Communist ministers and cancel a natural gas contract with the Soviet Union. A previously unknown group calling itself the French Revolutionary Brigades sent a ransom note that spelled out its demands for the release of Jean-Edder Hallier, 46, who has been missing since Sunday night. "We kidnapped J.E. Hallier because of his connivances with the Socialist-Communist government," the message said. The note included Mr. Hallier's signature, which was verified by his wife. The message demanded the cancellation of France's most recent agreement to buy Soviet natural gas from the Siberian pipeline, and demanded shipments of French aid to anti-Communist guerrillas in Afghanistan. The note did not say what would happen to Mr. Hallier if the demands were not met.

Hijackers Seize Honduran Airliner

TEGUCIGALPA, Honduras — Guinean hijackers seized a domestic airliner with 49 persons aboard Wednesday and threatened to kill a U.S. banana company executive unless Honduras freed 20 political prisoners. The hijackers freed 14 persons, but kept the other passengers and crew aboard as hostages. Police said that the number of hijackers was not known but said there were at least two. The gunmen boarded the plane at La Ceiba, in northern Honduras, where the flight originated, officers said. "The hijackers say that if you don't free the prisoners, I will die," a passenger identified as Rick Master said during radio contact with the control tower of Tegucigalpa airport.

Strike Unites Lebanon for a Day

BEIRUT — Lebanon observed a one-day general strike on Wednesday to protest the killing of a senior Sunni Muslim cleric, uniting its rival Christian and Muslim communities for the first time since the civil war seven years ago. The strike closed shops, banks, schools, factories, and public and government offices throughout the country. It also brought traffic to a near halt as residents stayed home. Sheikh Ahmed Assaf, an Islamic leader and a vocal anti-Communist, was shot down by three assassins late Monday while driving home from a mosque in Moslem West Beirut, where he was leading prayers. The grand mufti, Sheikh Hassan Khalid, on Tuesday called for a general strike in Moslem West Beirut to protest the crime and to allow followers to participate in the funeral procession.

Haig Speech Foreshadows Moscow Talks

(Continued from Page 1) The Soviet embrace are quickly attempting to broaden their relations. Mr. Haig's defense of the alliance comes as sentiment grows among some in Congress to pull back U.S. troops from overseas because of a view that the allies are not carrying a fair share of the common military burden. Mr. Haig said the allies "must develop a broader vision and sense of responsibility consistent with their interests and strength. They cannot expect the U.S. to carry the same share of the burden when our respective capabilities have changed and their own desire for influence has grown."

Defense of Allies

But the main thrust of his remarks constituted a sharp defense of the allies that undoubtedly will be welcomed in friendly capitals. Mr. Haig said, "It is high time that our dialogue proceed on the basis of fact." Americans should not forget, he said, that the NATO allies "substantially increased their defense spending over the past decade while the United States was reducing its defense efforts." European members of NATO supply the highest percentage of nonnuclear air, ground and naval forces in Europe, he said. While the United States must exert strong leadership, Mr. Haig said, "the allies must know where we are going if we expect them to go with us. Their policies, especially in dealing with the Soviet Union, reflect not only differing perspectives of Soviet actions but also a tendency to hedge their bets against American swings between détente and confrontation."



VIOLENCE IN ULSTER — Twenty-four buses were blown up in Armagh, Northern Ireland, on Wednesday morning by armed, masked men who held employees at the city bus depot under gunpoint while explosives were planted, police said. Six buses remained.

At Least 14 Reported Hospitalized In Clashes in Gaza and West Bank

NEW YORK TIMES Service JERUSALEM — At least 14 Arabs were reported hospitalized Wednesday with gunshot wounds, after widespread violent demonstrations broke out throughout the Israeli-occupied West Bank and Gaza Strip. At least 12 other Arabs were treated for injuries and released, and an uncertain number of Israeli soldiers were hurt by thrown rocks. The most serious clashes took place in the marketplace of Nablus, on the West Bank north of Jerusalem, where Mayor Bassam Shaka was dismissed from office by the civilian administration several weeks ago over charges he had fomented "general agitation." According to Palestinian sources, Arab youths repeatedly stoned Israeli Army patrols. The soldiers shot at the demonstrators, wounding eight in two separate incidents. Seven of them, but mostly in the legs, feet and thighs, were aged 16 to 19, and one was a 60-year-old man, the Palestinians reported. The Nablus marketplace was placed under curfew. An Israeli soldier was hurt in Nablus, and an Israeli policeman was injured when a stone was thrown at his patrol car near the Shuafat refugee camp at the northern edge of Jerusalem. Other protests were reported in Ramallah, Beit Sahur, Hebron, and the Dheisheh refugee camp south of Bethlehem, where a bus transporting Israeli settlers was stoned. In the Gaza Strip, clashes in the Jabaliyyeh refugee camp left six Arab wounded by gunfire and five Israeli soldiers hurt by stones. No details of the disorders could be obtained from the army, because the spokesman's office was closed for Israel's independence day. But Palestinian journalists who gathered information from throughout the territories said that the protests were widespread, and involved most major population centers. In the Askar refugee camp near Nablus, Arab youths blocked roads with burning tires and stoned military vehicles, the Palestinian reported. Demonstrators tried to occupy a police station, but were driven back. In the Balata camp, south of Nablus, a 24-hour-a-day curfew remained in effect, and about 70 young men were summoned for questioning at the military headquarters, the reports said. At a village near Nablus, demonstrators waved a Palestinian flag and portraits of Yasser Arafat, the leader of the Palestine Liberation Organization, according to the reports. Clashes took place when soldiers tried to take them down. The municipal council of Nablus, meanwhile, issued a statement condemning the Israeli authorities for allegedly appointing Israelis to take over municipal government functions after Mr. Shaka's dismissal. Although the cease-fire across the Lebanese border is again holding after Israeli air strikes last week, plans for an extensive ground operation by Israeli troops are reportedly ready to implement if there is a PLO attack. These plans are said to involve such heavy assaults on PLO bases and headquarters in Beirut and southern Lebanon that the Palestinian guerrilla organizations would be driven out of Lebanon as effectively as they were driven out of Jordan by King Hussein in "Black September" 1970. This time, apparently, Mr. Sharon's objective would be to drive them back into Jordan, the majority of whose population is Palestinian, where they might ultimately overthrow the king and proclaim a Palestinian state, thereby relieving Israel of the pressure to grant them a Palestinian state on the West Bank. The scenario may be far-fetched, and there are indications that it is resisted by Mr. Begin, who does not usually regard warfare as an instrument of policy. But the mood of toughness is there, growing out of the painful withdrawal from Sinai. "There is a feeling," an official observed, "that we have done ourselves an injury, and now we have the right to be hard with our enemies."

Israeli Mood Is Testy After Settler Protests

(Continued from Page 1) The land, we will keep autonomy, full autonomy for the Palestinian Arabs, under all circumstances." Mr. Begin, using the biblical terms for the West Bank, made a similar claim on the territory last month, saying, "Our nation was born in Judea and Samaria, not in Jaffa and certainly not in Tel Aviv." To Jews and Samaritans, our prophets prophesied, in Judea and Samaria the ancient Jewish culture, from which we are nurtured to this very day, was created. Judea and Samaria are occupied territory? Judea and Samaria were occupied territory by the Jordanians, who conquered the western part of the land of Israel. And once it was occupied territory by the Egyptians when they invaded Israel. But [now] it is not occupied territory. It is the land of Israel." Position Is Firm Emotions and policies change, and so do governments, and some Israelis believe the extrajudicial of the demonstrators from Sinai without bloodshed proved "that it is quite possible, with relative ease and swiftness, to evacuate a settlement if and when the government decides to do so," as Eliahu Salpeter, a columnist, wrote Monday in the Hebrew-language daily Ha'aretz. But the Begin government's position is firm. In effect, it rejects the notion that the Sinai withdrawal can be a model for further peace agreements between Israel and the Arabs: the pullout is portrayed as unique, a single return of territory over to be repeated on the West Bank, the Golan Heights or the Gaza Strip. The moral of Egypt's initiative toward Israel — that the only way an Arab country can regain territory is by making peace — is thus made inapplicable to other Arab countries on other fronts. As a corollary to this main proposition, Mr. Sharon wishes to subdue the Palestinian Arabs on the West Bank by uprooting the Palestine Liberation Organization both there and in Lebanon. Although the cease-fire across the Lebanese border is again holding after Israeli air strikes last week, plans for an extensive ground operation by Israeli troops are reportedly ready to implement if there is a PLO attack. These plans are said to involve such heavy assaults on PLO bases and headquarters in Beirut and southern Lebanon that the Palestinian guerrilla organizations would be driven out of Lebanon as effectively as they were driven out of Jordan by King Hussein in "Black September" 1970. This time, apparently, Mr. Sharon's objective would be to drive them back into Jordan, the majority of whose population is Palestinian, where they might ultimately overthrow the king and proclaim a Palestinian state, thereby relieving Israel of the pressure to grant them a Palestinian state on the West Bank. The scenario may be far-fetched, and there are indications that it is resisted by Mr. Begin, who does not usually regard warfare as an instrument of policy. But the mood of toughness is there, growing out of the painful withdrawal from Sinai. "There is a feeling," an official observed, "that we have done ourselves an injury, and now we have the right to be hard with our enemies."

Fahd Plan Support Reportedly Sought Again

By Thomas L. Friedman New York Times Service BEIRUT — Saudi Arabia has been contacting other Arab governments in an effort to organize another Arab summit conference that would approve a Saudi peace plan as the accepted Arab alternative to the Camp David accord, a top Palestinian Liberation Organization official said. Nayef Hawatmeh, leader of the Marxist-oriented Democratic Front for the Liberation of Palestine, the third-largest faction in the PLO coalition, said Tuesday in an interview that the Saudis want to establish the peace program of Crown Prince Fahd as a replacement for Camp David. He stated, however, that the PLO and a group of hard-line Arab states plan to hold their own meeting next month in Algiers to meet Arab acceptance of the eight-point Fahd plan, which implicitly recognizes Israel's right to exist. Mr. Hawatmeh indicated that the Fahd proposals were likely to be the focus of a great deal of inter-Arab diplomacy in the coming months, as the conservative Arab regimes move closer to Egypt and the West Bank autonomy talks between Cairo and Jerusalem remain deadlocked. The rapprochement between the conservative Arab monarchies and Egypt seems to have begun already: The kings of Jordan and Morocco were reported Tuesday to have sent telegrams to President Hosni Mubarak of Egypt congratulating him on the return of Sinai. The Arab oil-producing states, argued Mr. Hawatmeh, are hoping that if they can substitute the Fahd plan for Camp David, they can reestablish relations with Egypt without feeling that they are endorsing the Egyptian-Israeli peace treaty. "In the coming few months," the guerrilla leader said, "Saudi Arabia will ask again for an Arab summit in order to put the Fahd plan on the table. They are already preparing for it. Maybe the summit will be held in Morocco or maybe Riyadh."

Tunisia Is Granted U.S. Arms Credit UN Vote Urges Withholding Aid to Israel

WASHINGTON — Tunisia and the United States have signed an agreement opening an \$85-million line of credit to Tunisia for the purchase of U.S.-built weapons, a Pentagon spokesman said. Defense Secretary Caspar W. Weinberger and his Tunisian counterpart, Salaheddine Baly, signed the agreement Tuesday. The Pentagon said Tunisia plans to buy C-130 transport aircraft, artillery and surface-to-air missiles in the coming year, and can apply the loan to any of the purchases. Tunisia recently ordered 54 M-60 tanks and 12 F-3 aircraft from the United States for \$265 million. Mitterrand Visits Denmark COPENHAGEN — French President Francois Mitterrand arrived in Denmark Wednesday for a three-day visit. The United Nations General Assembly declared Wednesday that Israel is "not a peace-loving member-state" and called on all governments to refrain from providing it with military, economic and political assistance. The vote on the resolution was 86 to 20 with 36 abstentions. The resolution reaffirmed previous assembly decisions on Palestinian rights, including the right to self-determination and statehood, and condemned Israeli actions in the territories that it has occupied since the 1967 Middle East war. It was the second time in less than three months that the General Assembly has ruled that Israel was not a peace-loving member. The first time was in February, following the Israeli annexation of the Syrian Golan Heights. The finding appeared to set the stage for an eventual bid to suspend Israel from the assembly. But the resolution's sponsors dropped a threat contained in an earlier working draft to review Israel's membership at the next regular session in September in a bid to expedite it. Wednesday's vote was similar to that on February's resolution, which was adopted by 86 to 21, with 34 abstentions. As in February, the United States and nine of the 10 members of the European Community voted against the draft. On both occasions, Greece broke ranks with its European partners and voted for the resolution. Egypt, the only Arab country to make peace with Israel, abstained. Most Latin American countries, including Argentina, Mexico and Brazil, abstained. So did Peru, which had voted in favor of the February resolution. The vote Wednesday concluded the present stage of an emergency special session of the assembly on Palestine that resumed last week after being temporarily adjourned in July, 1980.

Unyielding Position On Falklands Proves 'Iron Lady' Is Back

By Leonard Downie Jr. Washington Post Service LONDON — The Iron Lady is back. After being badly shaken by Argentina's invasion of the Falklands, an angry uprising against her government in Parliament and the resignation of her trusted and influential foreign secretary, Lord Carrington, Prime Minister Margaret Thatcher has confidently risked everything on an uncompromisingly aggressive response to the crisis.

Pravda Warns Britain Over The Falklands

Escalation and Use Of Force Condemned The Associated Press MOSCOW — Pravda accused the British government Wednesday of dangerously escalating its conflict with Argentina over the Falkland Islands and said London was determined to settle the dispute by force. In the first Soviet comment on the latest British moves in the crisis, Pravda condemned the seizure on Sunday of South Georgia Island and said that any worsening of the dispute could have grave international repercussions. The article was published before Britain announced that it would extend its blockade of the Falklands.

NEWS ANALYSIS

lands' 1,800 British inhabitants, she said. "I'm standing up for our territory. I'm standing up for our people. I'm standing up for international law. I'm standing up for all those small territories and peoples the world over who if someone doesn't stand up and say to an invader, 'Enough, stop,' all of them would be at risk." The recapture of the island of South Georgia so soon after the arrival of the vanguard of the British naval task force in the South Atlantic demonstrated how swiftly she is ready to use military force. Since then, she has clearly warned of her intention to move just as expeditiously against the Argentine occupation forces on the Falklands, despite evident concern in her Cabinet and Parliament about such rapid escalation.

"She's way out in front of everyone," said a well-informed member of her Conservative Party in Parliament, who added that she appeared to have shrugged off recent pleas of caution from some Cabinet members. "It looks like she doesn't intend to mess about." "Low Point" "She has always led from the front," said a source close to Mrs. Thatcher, who acknowledged that she had reached her "low point" in the "shattering" experience of failing to dissuade Lord Carrington from resigning just a day after Parliament resumed with shouted demands for her own resignation. "She has been climbing back ever since then," the source said. "She has this remarkable capacity to put a reverse behind her. So many people underestimate her sheer physical, hard determination under pressure."

Insisting she is not "gung ho" to use military force, this source said, "Nothing would delight her more than to get a diplomatic solution. But she believes in the rightness of her cause." "I do stand very, very firmly for certain things," Mrs. Thatcher said in the BBC television interview on Monday night. "And I am here [as prime minister] because I do."

London Will Impose Falklands Blockade

(Continued from Page 1) sition if an all-out war were to develop. Sources close to the prime minister said she had chastised Rear Adm. John F. Woodward, the outspoken commander of the task force, who told reporters aboard his flagship that he expected an easy victory over Argentina in any clash. Augmentation of the task force, which now includes at least 60 ships, continued with the dispatch of four deep-sea fishing trawlers that were hurriedly converted into minesweepers after the Argentines announced that they had mined the approaches to the islands. The intention of Britain's new

British suggestion that Mr. Haig's peace initiative had reached a dead end.

"There's hope, of course," said one of Mrs. Thatcher's colleagues, "but there's a big difference between that and optimism." The government is confident that if Argentina rejects the proposals, the Reagan administration will move to support Britain with economic sanctions and perhaps even limited military aid. Mrs. Thatcher said on television Monday night that "Mr. Haig, I think, has made it abundantly clear that if the negotiations do not succeed the United States — one of the great democracies of the world — would be on the side of Britain."

les parfums de Nina Ricci

Reagan Seeks Out Congress Leaders In Effort to Break Budget Impasse

By Helen Dewar
and Herbert H. Denton
Washington Post Service

WASHINGTON — President Reagan asked Thomas P. O'Neill Jr., the speaker of the House, and Howard H. Baker Jr., the Tennessee Republican who is Senate majority leader, to meet with him at the Capitol Wednesday to salvage what they can from the crumbling budget negotiations.

While Larry Speakes, the White House deputy press secretary, said the negotiators had narrowed their differences, leaving taxes as the major unresolved issue, congressional sources said that the dispute remained much broader. "It's far more important to have the principals in at this point," the negotiators "have an excellent understanding of their differences and there's no point now in continuing to discuss them," said the official, who requested anonymity. "It's far more important to have the principals in at this point."

If the talks collapse, the action will shift to the budget committee of the Senate and House, which congressional leaders said Tuesday were prepared to begin drafting a congressional version of the budget, aimed at reducing the \$100 billion-plus deficit projected in Mr. Reagan's budget. Sen. Domenici said he could begin moving by Thursday, and Rep. O'Neill said the House committee would begin "immediately."

Major differences clearly remain on revenues, cost-of-living allowances for Social Security and other benefit entitlement programs, and defense growth, said an aide to House Budget Committee Chairman James K. Jones, an Oklahoma Democrat.

Whether we meet again will be up to the president and the speaker and the decisions that only they can make," said Senate Finance Committee Chairman Robert J. Dole, Republican of Kansas.

Reflecting the mounting pessimism, a high-level White House official Tuesday characterized the session as a "make-or-break" meeting.

The negotiators "have an excellent understanding of their differences and there's no point now in continuing to discuss them," said the official, who requested anonymity. "It's far more important to have the principals in at this point."

While the negotiators were reported to have reached agreement, or near-agreement, on some issues, they were said by Republican as well as Democratic sources to remain most seriously at odds over



Thomas P. O'Neill Jr.



Howard H. Baker Jr.

Bush Finishes Discussions In Singapore

Aides Say Peking Talks Will Include Taiwan

From Agency Dispatches

SINGAPORE — Vice President Bush ended talks Wednesday with Prime Minister Lee Kuan Yew of Singapore, and prepared for the second week of an Asia-Pacific tour that will end in China with a bid to ease Peking's concerns over the U.S. decision to sell arms to Taiwan.

Mr. Bush's talks with Mr. Lee included regional security, officials said in Singapore. Both men agreed that the United States must make a greater commitment to Southeast Asia to counter Soviet influence in Indochina.

Mr. Bush, who had previously visited Japan and South Korea, is to leave Thursday for Australia and New Zealand.

On May 5, Mr. Bush will arrive in China, and two days later, he will begin talks in Peking on ways of improving Chinese-U.S. relations. U.S. officials said in Peking. They said Mr. Bush will spend two days in the eastern resort city of Hangzhou before flying to the capital.

Mr. Bush's press secretary, Peter Teelley, said the vice president saw the trip, arranged this week, as "a sign to the Chinese that we are obviously very interested in their concerns."

The vice president will be accompanied by John H. Holdridge, the assistant secretary of State for East Asian and Pacific affairs. He is expected to have an extensive exchange of views with Chinese leaders on international and bilateral issues, the U.S. officials said.

The officials emphasized that the Bush visit was not a crucial one for the future of Chinese-U.S. relations. "The purpose is not to try and resolve [bilateral problems] in one step, but to contribute to an atmosphere in which a solution can be found," an official said.

Relations between China and the United States are at their lowest point since the two countries exchanged ambassadors in March, 1979, Peking has indicated that it would consider downgrading diplomatic relations if Washington went back on an assurance not to consider further arms sales to Taipei while bilateral talks continue here on future U.S. ties with Taiwan.

The pace of the talks on Taiwan, conducted on the U.S. side by Ambassador Arthur W. Hummel Jr., has picked up in recent weeks, U.S. officials said. There was a possibility, though not a probability, of a breakthrough during the vice president's visit, they added.

Researchers at Stanford Believed To Detect Basic Unit of Magnetism

By Walter Sullivan
New York Times Service

WASHINGTON — The long-sought magnetic monopole, the basic unit of magnetism, has reportedly been detected in a high-technology experiment at Stanford University in California.

Word of the observation, which would be of historic importance if verified, has circulated at the meeting of the American Physical Society here. The existence of such particles has been predicted by a number of Grand Unification Theories.

These have been devised in the last few years to bring most physical phenomena into a single theoretical framework. Magnetic monopoles would have formed in abundance in the earliest moments of the birth of the universe in a "big bang" explosion.

Scientists here who have seen the results describe them as striking. But some said they would be convinced of their validity only after more than one such event had been observed. Seven years ago the observation of a monopole was reported but the finding was never generally accepted.

Monopoles, positive and negative, would be the basic units of magnetism in the sense that negatively charged electrons and their positively charged counterparts, positrons, are units of electric charge.

Because particles with a single electric charge abound in nature, it has long been argued that the same symmetry should apply to magnetism. But when a magnet with a positive, or "north," end and a negative, or "south," end is cut in two, the result is not one positive magnet and one negative magnet. The product is two magnets, each with positive and negative ends.

As envisioned in current theory, the monopoles would consist of an enormous amount of mass concentrated within the volume of an atomic particle. Its mass would be 10 million billion times that of a proton at rest. As one physicist put it Tuesday, if you laid one on a table and tunnel its way to the center of the Earth.

The Stanford observation was made by Dr. Blas Cabrera, using a technology developed to produce experimental chambers free of

magnetism. Reached by telephone Tuesday, he said he was reluctant to discuss the test until his report was accepted and published in Physical Review Letters. Preprints of it, however, have reached Washington, and details are known to a number of physicists here.

Because it was thought that magnetic monopoles of great mass should fall to Earth as part of the steady rain of high-energy particles known as cosmic rays, efforts to detect them have been conducted with emulsion packages carried by high-flying balloons.

In 1975, the University of California at Berkeley announced that Dr. P. Buford Price of its faculty had detected a monopole in this manner. It was described as "one of the major scientific events of the century."

The experiment used technology developed to provide an environment free of all magnetism. Such an environment is needed, for example, in the Stanford University plan to test the effect of general relativity on the spin axis of a gyroscope being carried in Earth orbit.

Botha, Zambian Leader To Meet in Botswana

The Associated Press

LUSAKA, Zambia — President Kenneth Kaunda of Zambia said Wednesday that he and Prime Minister Pieter W. Botha of South Africa will meet Friday in Botswana, at Zambia's request.

In Pretoria, the Foreign Ministry confirmed the meeting would take place.

It will be the first meeting between Mr. Kaunda and Mr. Botha. Some diplomats said Mr. Kaunda was seeking his political prestige by scheduling the meeting with the leader of South Africa's white-minority government.

Mr. Kaunda told reporters that Zambia had informed neighboring black African nations of the meeting's agenda, on which the independence of South-West Africa (Namibia) is the top issue. But he added, "We have not asked their permission."

"Yes, I am going to talk to Mr. Botha," Mr. Kaunda said at a news conference marking his 58th birthday. "The situation in Namibia and South Africa is explosive."

Zambia, like nearly all black African nations, has no diplomatic relations with South Africa. Kaunda has criticized the Pretoria regime in the past over its apartheid policies and its failure to grant independence to Namibia.

Zambia and several neighboring states allow bases for guerrillas of the African National Congress, which seeks the violent overthrow of the government in South Africa. Namibian guerrillas of the South-West African Peoples Organization (SWAPO) operate bases in neighboring Angola with Zambian support.

Mr. Kaunda's invitation to Mr. Botha called for an "emergency consultation over the conflict situation." The Zambian leader said last month he wanted to discuss developments in the region with Mr. Botha.

South African soldiers have attacked guerrilla targets in Mozambique, Zambia and Angola, and clashed with troops in Botswana as recently as Sunday.

Mr. Kaunda said he was convinced that South Africa wanted to withdraw from Namibia but was reluctant to do so because of fears that it would be used as an ANC base. "It is these fears I want to clear with Mr. Botha," he said.

The Zambian president, who caused a stir when he met in 1975 with Mr. Botha's predecessor, John Vorster, to discuss the guerrilla war in Rhodesia, denied charges by political opponents that he secretly wants to negotiate a trade agreement with South Africa.

Baby Dragged By Car in N.Y. Has Recovered

The Associated Press

NEW YORK — A baby who was dragged in a stroller for 13 blocks by a speeding car last month has recovered and is again playing with her sisters in Central Park.

"She's laughing and giggling and running around," said Marion Filley, who was pushing her 18-month-old daughter, Jocelyn, across East 96th Street when a car sped out of the park, through a red light and into the baby's stroller, which hooked onto the undercarriage. After the driver turned into Madison Avenue he began swerving, apparently to shake the stroller loose. Finally it was flung free and the car fled.

Jocelyn entered a hospital in critical condition but was released two weeks later after receiving skin grafts for scalp cuts.

Police are pessimistic about finding the driver.

Luxembourg Chief to China

Readers

LUXEMBOURG — Premier Pierre Werner left Wednesday for an official visit to China that is to last until May 5.

Once-Fearful Love Canal Now Attracts Homebuyers

The Associated Press

NIAGARA FALLS, N.Y. — A growing number of people are eager to move into the houses that hundreds of Love Canal residents sought to vacate a few years ago because they were afraid of chemical contamination.

"People have been coming in for months and months," said Richard Morris, director of the Love Canal Revitalization Agency, which has been buying up the properties in the neighborhood since last year. The "informal, unsolicited" list of potential buyers exceeds 130 names, officials said.

Authorities are awaiting the results of a \$5.5-million federal Environmental Protection Agency study of the neighborhood before any sales are made. Officials expect to use that document to determine the areas where homes are safe enough to be sold.

Families began leaving the area of the former Hooker Chemicals & Plastics Corp. toxic waste dump after the state and U.S. Chemicals — including some known cancer-causing agents — were found to have seeped from the canal into the surrounding neighborhood. In 1976, the state purchased 276 homes from owners nearest the dump. These are slated for demolition this summer.

A second federal emergency decree in 1980 led to the establishment of a \$15-million fund of mostly U.S. government money to buy up to 555 more homes. So far, Mr. Morris said, his agency has purchased 401 of these at prices ranging from \$7,500 to \$90,000.

Gen. Taylor Advises Military Budget Reform

By Richard Halloran
New York Times Service

WASHINGTON — Gen. Maxwell D. Taylor, a former chairman of the Joint Chiefs of Staff, has urged Congress to order fundamental reforms in the military budget because "there is no way for Congress to know whether the budget is adequate, excessive, or insufficient."

Gen. Taylor, who was the nation's highest-ranking soldier from 1962 to 1964, said little consideration has been given to how a weapon, ship, or aircraft "fits into the integrated structure of the armed forces or how it contributes to the forces in carrying out the strategic tasks which may be assigned to them."

The retired army general, in testimony Tuesday before the Joint Economic Committee of the House and Senate, urged Congress to require the president to set forth each year his foreign policy, possible needs for the use of military force, and "the outline of a military policy that will generate and maintain such forces."

Gen. Taylor urged that the president, in an annual report to Congress, be obliged to furnish "an estimate of the strategic tasks for which the armed forces should be prepared and the size, composition, and budget needs of the forces."

Consistent Criticism

In recent debate over President Reagan's military spending proposals, there has been consistent criticism that the administration has not justified its military spending plans with a coherent strategy.

In Congress, both traditional advocates of a strong defense and members seeking military reform have argued that the Reagan administration's proposals are inconsistent.

Reagan to Address Bundestag Before NATO's Summit

The Associated Press

WASHINGTON — President Reagan will address the West German Bundestag during his European trip next month, the White House announced Wednesday.

He will speak to the lower house of parliament on June 9, the day before the meeting of NATO members and a brief stop in West Berlin, and confer with Chancellor Helmut Schmidt.

The trip, from June 2 through June 11, begins in France, where Mr. Reagan will attend a summit at Versailles of the major industrial democracies. He will meet with Pope John Paul II and Italian leaders in Rome on June 7.

In London, the president's third stop, Mr. Reagan will address Parliament.

Protest Planned in Bonn

BONN (Reuters) — Leaders of West Germany's anti-nuclear peace movement said Wednesday they expect 150,000 people to demonstrate against NATO missile deployment plans when President Reagan attends the Western alliance summit here June 10.

Schmidt-Kadar Accord on Arms Talks

BONN — Chancellor Helmut Schmidt said that he and the Hungarian Communist Party leader, Janos Kadar, agreed there was an urgent need "to continue and expand an open dialogue between East and West," informed sources said Wednesday.

The sources quoted Mr. Schmidt as saying Tuesday at a dinner for Mr. Kadar that they had agreed that U.S.-Soviet disarmament negotiations were necessary and could be backed by all members of the NATO and Warsaw Pact alliances.

According to the sources, Mr. Kadar said he and Mr. Schmidt favored a lower level of armaments, although the two countries, as members of different alliances, had differing approaches.

Mr. Kadar was quoted as saying that Hungary was ready for coop-

Scientists in U.S. Ask Effort to Curb Risk of Atom War

New York Times Service

WASHINGTON — Declaring that science offers "no prospect" of defense against nuclear war, the National Academy of Sciences has called on U.S. and world leaders to intensify "with a sense of urgency" their efforts to reduce the risk of nuclear war and the spread of nuclear weapons.

Although the scientists, assembled here for their 119th annual meeting, did not call for an outright freeze on nuclear armaments, they urged "all practical" measures to inhibit the spread of such weapons and to reduce the chances of nuclear war by accident or miscalculation.

The resolution was passed with only one dissent among the more than 200 academy members present Tuesday. The academy is a self-perpetuating honorific body of 1,300 U.S. scientists. A spokesman for the group said that the vote could be taken as the policy of the entire academy.

The resolution was general in tone and did not mention any of the specific proposals to freeze production of nuclear weapons.

Indian Bus Crash Kills 14

United Press International

NEW DELHI — A bus fell into a mountain gorge in the northern state of Himachal Pradesh, killing 14 persons and injuring 36 Tuesday, the Press Trust of India reported Wednesday.

MEMORIAL NOTICE

On the occasion of the tenth anniversary of the death of Mrs. Elizabeth Lucie Leon (Lucie Noth), a religious service will take place on Thursday, April 29th, 1982 at 5:30 p.m. in the Russian Orthodox Cathedral, 12 Rue Daun, Paris 8th.

Adm. Inman Says U.S. Has Intelligence Gaps

By Wallace Turner
New York Times Service

SAN FRANCISCO — U.S. foreign intelligence is "marginally capable" of meeting "the problems we are going to face in the 1980s and 1990s," Adm. Bobby R. Inman has told the American Newspaper Publishers Association convention.

The address Tuesday was Adm. Inman's first since he announced his intention to resign, effective July 1, as deputy director of Central Intelligence.

He said he believed the U.S. "intelligence community" was fully capable as to the military plans of the Soviet Union. His concern, he said, is with keeping track of the Soviet Union's "great difficulties in competition for raw materials, natural resources, markets, dealing with instability in many areas of the world, trying to cope with the fever of religious movements."

"I simply reject out of hand the likelihood that we could be surprised with a Pearl Harbor kind of attack," he said. "And the same pretty well holds true for the eastern front, central part of Europe," he said, except in cases of prolonged bad weather, which might hinder intelligence gathering.

Adm. Inman said lack of U.S. foreknowledge of the Argentine government's intention to invade the Falkland Islands was illustrative of the shortcomings he ascribed to inadequate staffing.

He said that while U.S. intelligence was well-equipped for surveillance of the Soviet Union and was adequate in assessing foreign military equipment and manpower, he believed it did "not so well" in following political and economic trends abroad, and did "very poorly" in maintaining an encyclopedic knowledge of the world.

Adm. Inman called for competitive intelligence analysis, with at least two departments offering separate readings, to improve assessment of the "mosaic of tiny pieces" of information fed into the intelligence agencies.

Adm. Inman, 51, again denied that his resignation was prompted by difficulties with William J. Casey, the Director of Central Intelligence. He said he was leaving because "there is a limit on how far you can go," continuing: "The director of the CIA is always going to be someone with political views like the president's, and this is how it should be."

"There were no policy disputes on any major issues that caused me to resign," he said. He described his working relationships with Mr. Casey as very good and said he felt his own blunt personality and urgency in discussing problems sharply had been met with understanding.

The speaker of the House, Thomas P. O'Neill, Democrat of Massachusetts, called one of Mr. Reagan's deputies, Michael K. Deaver, last week and asked the president to change the submarine's name. Mr. Deaver then raised the issue with the president.

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Conservatives Win In Saskatchewan For First Time

New York Times Service

TORONTO — For the first time in its 76-year history as a Canadian province, Saskatchewan, in the heart of the country's wheat belt, has elected a majority conservative government.

In winning an overwhelming 57 of the provincial legislature's 64 seats, the Progressive Conservatives ended on Monday night the 11-year reign of the leftist New Democratic Party of Premier Allan Blakeney. The New Democrats, who have controlled the state for all but seven years since World War II, dropped from 44 to 7 seats.

The unexpected victory under Grant Devine, 37, a party leader who was elected to public office for the first time Monday, gives the Progressive Conservatives control of seven of the province's 10 provincial legislatures and one of the two northern territories.

The conservatives' victory was seen by political observers as a warning to other provincial incumbents that Canadian voters hold them responsible for increasing taxes, mounting energy costs, high interest rates and inflation.

A second in the life of a Patek Philippe.

Nautilus by Patek Philippe.

PATEK PHILIPPE
GENÈVE

A Patek Philippe doesn't just tell you the time. It tells you something about yourself.

Seabed Treaty Decision

The sliced bread syndrome has overtaken the law of the sea. You know — one side, to whip up enthusiasm for a new idea, says it is the greatest thing since sliced bread. In that spirit, some well-meaning people started suggesting in the 1960s that codifying the rule of law at sea and providing for the international sharing of the "common heritage" of seabed resources would build a kingdom of earthly harmony and bring us all closer to the God of our choice.

Inevitably, the vision faded. What was left was 1) a treaty compromised to a point where reasonable people can differ on its merits and 2) a school of criticism claiming that the law of the sea is the worst idea since sliced bread. That school is currently in its glory, daily decrying the treaty as a sellout to Third World tyranny, a betrayal of the free enterprise system, the biggest boondoggle in the history of the world and so forth.

Fortunately, these cries are nonsense. A more sober look reveals a treaty which, in its time, the Reagan administration has substantially improved. Mr. Reagan's negotiators have won, for instance, the guarantee the sought of Western corporate access to strategic seabed minerals. These go on top of the

assurances of maritime passage secured in the Carter years. But predictably, the lobbyists have objections. So do the ideologues. They are on the prowl, hoping to persuade the administration to devour its own child.

That brings us to Friday, when the treaty, to which 150-odd nations have devoted eight years, comes up for adoption in New York. How the United States responds will depend in some measure on substantive negotiations that may not be concluded until literally the last moment. At that point, the U.S. choice will be either to permit — quietly — adoption of the treaty by consensus, or to make a sour statement or even force a vote in which the United States alone will be opposed.

The liveliness of the Washington play makes it uncertain what the administration will do. Here is what it should do. It should give itself the benefit of its doubts. Rather than take a gratuitous slap at an extraordinary negotiating process or cut itself off by a negative vote, it should let the treaty be adopted by consensus and use the six months until signing — that is the important event — to think it over. Our suspicion is that, as it focuses, it will be pleased by its work.

THE WASHINGTON POST.

The Coal Parasites

Coal exports are good for America, generating billions in revenue. And they are good for the United States' European allies, reducing dependence on Mideast oil and Soviet natural gas. The future of coal exports now seems so bright that American ports and railroads are gearing up to double the trade over the next decade. Enter the parasites.

If the maritime lobbies have their way, such rosy visions could darken overnight. A coalition of shipbuilders and maritime unions wants a law requiring that 40 percent of all dry-bulk exports and imports be transported in American ships with American crews. That would be shameless protectionism. It would sharply increase the cost of ocean transport for all affected commodities and force Europe to look elsewhere for fuel.

The American maritime industry priced itself out of the market decades ago. Building big ships costs two to three times as much in the United States as in Japan or Korea. U.S. sailors are paid three to four times more than foreign crews. What remains of the industry depends on government patronage.

Subsidies from the federal government cover 50 percent of the cost of domestic construction and 72 percent of the cost of domestic shipboard labor. All told, the government has spent some \$10 billion since World War II to maintain a modest American presence in the world's shipping lanes. But these subsidies, long considered politically untouchable, are under attack. Both Congress and the Reagan administration are reluctant to underwrite protection at a time when other federal programs are on the block. So

the shipbuilders are eagerly searching for a less vulnerable source of patronage.

That is where "cargo preference" fits in. Protectionist provisions, attached to a harbor improvement bill now being considered by the House, would force both importers and exporters to carry 40 percent of dry-bulk cargoes on American-built ships. This, in effect, would shift the subsidy from the federal budget to the private sector. Moderate estimates suggest that the bill would raise the total cost of ocean transport in these commodities by at least a third.

For relatively valuable bulk exports, like wheat and soybeans, cargo preference would function as a tax whose burden would be divided between consumers and producers. For coal, which has a lower value per ton, freight charges represent most of the delivered cost to users. The House bill could thus sharply cut or even eliminate the U.S. export trade.

The shipbuilders and unions insist that the public has a stake in their high-cost shipyards; without such facilities in place, they argue, the United States would be unable to fight a protracted war overseas. As an argument for subsidies, that is barely plausible. But to bury such subsidies in freight bills would be simply unconscionable.

Cargo preference would be an economic disaster, damaging America's position in the grain trade and burying hopes for a world economy fueled by American coal. If Congress wants to spend billions on the merchant marine, then let it dare do so in the open, with appropriated funds.

THE NEW YORK TIMES.

Other Opinion

On the Outlook in the Middle East

It is a measure of the failure of the Camp David accord to produce a lasting Middle East peace settlement that no sooner has Israel concluded the last phase of its withdrawal from Sinai than the talk is not of further negotiations but of another war. Since the beginning of this year, Mr. Menachem Begin, the Israeli prime minister, has threatened to send his forces into southern Lebanon in an effort to wipe out the Palestine Liberation Organization.

The political situation in the Middle East is now very much to Israel's advantage and is unlikely to be so favorable again. As long as Egypt is bound by a peace treaty with Israel then the Israelis face no military threat. President Mubarak of Egypt is trying hard to mend his fences with the more conservative Arab states while simultaneously keeping good relations with Israel.

If Mr. Begin were now to attack Lebanon it would be virtually impossible for Egypt to pursue these two policies simultaneously. The United States is the only power which could restrain Israel from an assault on Lebanon.

— From The Financial Times (London).

A Call for Cambodian Talks

The regime installed in Cambodia in January, 1979, by the invading Vietnamese Army is still not recognized by anyone but the Soviet bloc and India. A majority of the United Nations voted in 1980 and 1981 for the ousted Pol Pot regime. Less from any desire to restore this blood-soaked band to power than to condemn Vietnamese intervention and the installation of what was assumed to be a puppet government.

What is needed is dialogue between the two, taking in other Cambodians outside the

country. This should not be impossible. There are no clear ideological lines. Nor is Cambodia a country that could sustain an unyielding Communist regime for the foreseeable future. Ideally it should be no-aligned and neutral between Thailand and Vietnam. Talks pointing in this direction might begin to create conditions in which Vietnam would become more interested in discussing withdrawal.

— From The Times (London).

On Iran's Military Success

A tentative conclusion would be that President Saddam Hussein of Iraq will not now last very long, that Iraq will experience some extraordinary turmoil when he goes, and that Iran has the resilience to emerge once more as the major power of the region.

In that case both the Gulf neighbors and any interested outside powers will wish to know as soon as possible which of its several faces Iran is to turn to the outside world.

The Arabs who have backed Iraq in the costly and profitless war have done so less because of sympathy with the sanguinary regime Saddam Hussein has installed than because he represented them against an historic Persian enemy when the values that enemy represented seemed at their most threatening. Yet a Persian paramountcy was tolerable to them during the shah's era and could be tolerable again, if that is all it turns out to be. It is a strong defense, after all, against Marxist penetration into the Gulf.

Supposing, however, that Iran resurfaces not simply as the strongest temporal power in the area but as the fundamentalist Islamic powerhouse. There is hardly a ruler in the Middle East, Moamer Qadhafi apart, who could accommodate himself to that vision.

— From The Guardian (London).

Why Nations Cannot Control Their Economies

By Robert J. Samuelson

WASHINGTON — One of the signs of the times is the recent spurge of Japanese investors into deep-discount dollar bonds. Companies such as General Motors issued them, and wealthy Japanese, attracted by high U.S. interest rates, bought them. Probably in excess of \$2 billion were sold before the Japanese government clamped down on sales.

The bonds deserve attention not as a financial curiosity (which, to some extent, they are) but as evidence of the breakdown in traditional barriers between the world's major money markets. The disintegration marks one of the last chapters in the development of global interdependence. It represents a further erosion of governments' control of their own economies.

The erosion has progressed steadily since the end of World War II. Demand for key raw materials — oil and grains — now so exceeds local supplies that markets are international. Trade in many

manufactured goods (textiles, steel, autos, electronics) is increasingly global. Multinational firms organized production and marketing on a worldwide basis. All these developments compromise governments' economic policies.

Now the increasing mobility of funds raises new questions about how much governments can influence their own interest rates or exchange rates. Consider the recent behavior of the yen as a case in

point. Both the Japanese and U.S. governments had wanted the yen to appreciate, hoping that more expensive Japanese exports and less expensive American imports would ease trade problems. Instead, the yen depreciated from 224 to the dollar in November to 245 in mid-April.

By conventional logic, a yen appreciation was not an unreasonable expectation. In 1981, Japan recorded a \$20-billion trade sur-

plus and, even after large outflows for services (such as payments for freight, tourism and overseas royalties), registered a \$4.7-billion current account surplus. That was a huge improvement over the \$10.7-billion deficit in 1980. Increased demand for yen in foreign exchange markets from importers of Japanese products needing to pay their bills should have pushed the currency up.

What upset this neat arithmetic were capital outflows — about \$7.3 billion worth in 1981. The deep-discount bonds were a relatively late arrival. Earlier, oil producers apparently withdrew funds from Japan. Japanese insurance companies invested increasingly abroad, and large Japanese firms placed spare funds overseas. To do this, they sold yen in foreign exchange markets and bought other currencies. The main lure was apparently the dollar, because higher interest rates could be earned on dollar investments.

Global Money

As the yen episode suggests, money has become increasingly global. Moving it requires only selling one currency for another and then — via the wonders of modern communications — transferring the resulting funds into desired investments. Many of these transactions would have been impossible 20 years ago because governments controlled overseas money flows. People and companies were allowed to buy and sell other currencies only for exporting and importing. Otherwise, they had to keep funds in local currencies.

The emergence of global markets undermined these controls. The need to accommodate money flows — to allow oil-producing countries to invest surplus funds, to allow multinational firms to finance everyday business — increased. Governments relaxed their strictures, and new markets emerged. Dollars expropriated and lent in Europe by American and other banks became Eurodollars. Marks deposited and lent outside Germany became Euromarks. So there were Eurocurrency markets, which last year lent an estimated \$140 billion.

The effect of all this is to make major governments prisoners of each other's money policies. In 1971, Germany embargoed right money (and relatively high interest rates) while the United States did the opposite. Funds flowed into German marks and helped precipitate President Nixon's dollar devaluation. With elections approaching, the White House was disinclined to follow the alternative: raising U.S. interest rates.

Things Reversed

Now the shoe is on the other foot. High U.S. rates may induce other countries to raise rates or keep them high. When they do not, the result — as in Japan — can be an outflow of domestic savings. The other possible effect, a currency depreciation, risks higher inflation because many imports such as oil are priced in dollars. Finally, the higher U.S. rates also mean higher rates of interest on loans to, say, developing countries.

In this interdependent world, governments can act, but they cannot control the consequences of their acts. Economic conditions in one country are transmitted — imperfectly and unpredictably — to other countries. Governments probably cannot undo these connections no matter how much they might want to or try. They can move, as the Japanese government did, to stop specific types of international money movements. But the evidence is that such restrictions serve only as a stopgap until markets find ways of evading them.

Operating in a multitude of countries, multinational firms now require working balances in numerous currencies and — if they think one preferable to another — simply accumulate funds in the desired currency. The existence of offshore deposits in all major currencies (the so-called Eurocurrencies) makes this even easier, does the possibility of denationalizing export and import contracts in different currencies.

Global banking, investing and lending have naturally followed the evolution of global markets and global businesses. That individual governments should attempt to assert control over these forces is as understandable as it is difficult. Global markets may be politically and economically unstable, but purely national markets may be inefficient and, in the end, unworkable. This is a formula for continuing struggle, deep confusion and constant surprises.

The author writes regularly on economic affairs for National Journal, from which this article is reprinted.

Letters intended for publication should be addressed "Letters to the Editor," and must include the writer's address and signature. Priority is given to letters that are brief and do not request anonymity. Letters may be abridged. We are unable to acknowledge all letters, but value the views of readers who submit them.

Has Cuba Changed Its Ways?

By William Safire

WASHINGTON — The CIA has come up with an exciting modern method of briefing President Reagan about foreign leaders: the motion picture. Before a visit to the United States by Israel's Menachem Begin, the CIA produced a psychological profile in the form of a film documentary for the president's top-secretary viewing that was the pride of the agency's film division.

Reagan finds going to the secret movies preferable to slogging through turgid written intelligence reports. After the socko success of the Begin film at the Oval Box Office, Cloak and Dagger Productions came up with an even bigger hit.

The 20-minute selected short subject that drew news last month from elite audiences at the White House and State Department is a search inside the mind of Fidel Castro, which takes the point of view that he may be going through a political menopause; it suggests that a mid-life crisis of the Cuban leader, now 54, offers the United States an opportunity to woo him away from the Soviet orbit.

Evidence exists that Secretary Haig has been trying to steal that demerch. Five months ago he met secretly with the Cuban vice president in Mexico; that *de facto* recognition led to a follow-up visit to Havana by Vernon Walters.

The Reagan administration may be deluding itself. In 1978 the Carter administration became aware of violations of the 1962 agreement with the Soviet Union that prohibited the installation of offensive weapons in Cuba. Instead of demanding the withdrawal of MR-23s with the capability of bombing Houston, Carter wrote to Leonid Brezhnev stating only that further shipments would be considered a violation. They stopped. During the Reagan administration, they resumed.

That quiet buildup was soon accompanied by an open warning from Brezhnev that any U.S. attempt to counter new Soviet missiles in Europe would be followed by an escalation of Soviet power near the United States — which means missiles in Cuba.

Alarmed by the apparent weakness of the Reagan response, and made suspicious by five cancellations of scheduled scheduled testimony by the secretary of state about Cuban policy, hard-line senators led by the Republican Steve Symms of Idaho introduced a resolution reaffirming the 1962 Kennedy-Khrushchev agreement.

Strangely, the Reagan State Department wavered. "We do not find it unusual," the department said, "that any U.S. action helpful to our overall objectives in that region now," a State Department functionary informed Howard Baker, the majority leader, who then dutifully broke a tie vote and supported the weasel.

Waffled

Despite all the tough talk by the president recently about a Soviet-Cuban "virus" threatening the Caribbean, when it came to a simple reaffirmation of the United States' 20-year understanding that it will not tolerate offensive weapons in Cuba, the Reagan administration waffled.

Why? Perhaps a vote for the 1962 agreement would expose the degree to which that agreement is being violated. Perhaps, at the other extreme, an attack on Cuba is being planned that would also violate the agreement. Or perhaps some timorous jerk down the line at the State Department, without checking up, instructed the majority leader of the Senate to make a fool of himself.

Senators are being told that when the resolution comes up again next month, the administration will support it. All the waffling was a terrible mistake, the Reagan men say, and point to the hasty cutoff of tourist trade with Cuba as proof of toughness.

Something is fishy about all that. It could be that some competitive wooing of Castro was going on, and we turned out to be the rejected suitor. When the Argentines asked their big grain customer, the Soviet Union, to veto the United Nations resolution calling for a pullout from the Falklands, Moscow asked for assurances that the Argentines in return would not join a U.S.-organized move against Cuba. The Argentines had no answer and so Moscow abstained, showing that its priority in Latin America is still its ally, Cuba.

Let us hope that our behind-the-scenes flirtation with Castro is over. For him, there is no menopause that refreshes, despite fanciful CIA movies to the contrary. Men high in Reagan circles murmur about carrots and sticks; now that the carrot has not worked, what is left? Our 1962 agreement is being steadily eroded, and we are on notice from the Kremlin that intermediate-range missiles will soon be near U.S. shores.

Future maneuvers will prove that the United States gave up peaceful initiatives every chance. Now is the time to deal with a threat before it becomes a crisis.

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Invasion and International Law

By Richard Kennedy Gueff

PARIS — Since Argentina's invasion of the Falkland Islands on April 2, attention has been centered on political, diplomatic and military considerations. Further attention might be given to it in terms of the international law governing the resort to armed force and the conduct of hostilities.

The law consists of customary law (those universally binding rules derived from the actual practice of states) and specific international agreements to which Argentina and Britain are bound.

One issue concerns the legality of resort to armed force. Article 2 of the United Nations Charter requires international disputes to be settled by peaceful means, and specifically prohibits the threat or use of force. The principle exception to this prohibition is the inherent right of individual or collective self-defense in the event of armed attack.

In the case of territorial disputes, it is widely recognized that the right of self-defense must be based on peaceful possession and de facto exercise of authority. Consequently, Argentina's claim to the Falkland Islands, based on an alleged right of "historic title," cannot justify its use of armed force to invade islands under British possession and authority.

On the other hand, Article 51 would justify a military response by Britain to an invasion of its territory under its possession inhabited by nationals under its authority. Such action must still be proportional, in the sense of being strictly limited to measures reasonably necessary to repel the danger.

The fundamental charter principle against the threat or use of force, embodied in the Security Council's demand that Argentina immediately withdraw all of its armed forces from the islands, is reflected in other international agreements as well. (Ironically, one such agreement is the Rio Treaty, which Argentina invoked in anticipation of a British military response to its invasion.) The erosion of this principle is a serious concern, but the precarious condition of world order will de-

teriorate if the resort to armed force becomes even more fashionable in settling disputes.

While the question of the legality of resort to force is clearly important, attention must also be drawn to international law governing military occupation and armed conflict, commonly known as the laws of war. These laws are applicable to all parties in a military occupation or armed conflict, regardless of any determination of the legality of the use of force.

A formal state of war need not be declared or recognized to bring the laws of war into application. According to Article 2 of each of the four 1949 Geneva Conventions on the protection of victims of war (to which both Argentina and Britain are formally bound), it is sufficient that there has been a partial or total occupation of the territory of one state by another, or that an armed force of Argentina and a military occupation was installed.

Temporary Status

With regard to the part of the laws of war governing military occupation, the most fundamental principle is that military occupation, in and of itself, does not entail any transfer of sovereignty. Even in situations where the occupying power claims sovereignty, military occupation is only regarded as a temporary situation until a valid treaty provides for any formal, permanent change of status.

In the interim, the law attempts to deal with the reality of military occupation by balancing the welfare of the inhabitants with the security interests of the occupying power. Most of the particular rules are found in the Regulations annexed to 1907 Hague Convention IV on land warfare (regarded as embodying customary international law, and, as such, binding upon all states) and 1949 Geneva Convention IV on the protection of Civilians (to which both Argentina and Britain are formally bound).

The 1907 Hague Regulations state a number of basic rights and duties. Some of these are: The occupying power shall take all measures to restore and ensure public

order and safety, while respecting, unless absolutely prevented, the laws in force in the country. It is forbidden to compel the inhabitants to swear allegiance to the hostile power; persons and property must be respected, and private property may not be confiscated.

The 1949 Geneva Conventions outline this law in much greater breadth and detail, beginning with the recognition of all inhabitants of occupied territory as protected persons. Among these regulations, inhabitants shall at all times be humanely treated and shall be protected against all threats or acts of violence.

Other regulations prohibit: physical coercion against inhabitants, in particular to obtain information; collective measures of intimidation or terrorism; reprisals against inhabitants or their property; the taking of hostages; individual or mass forcible transfers of inhabitants from occupied territory; any transfer of the occupying power of a civilian population into the occupied territory; forcing inhabitants to undertake any work which would involve them in the obligation of taking part in military operations.

Further, to the fullest extent possible, the occupying power has the duty of ensuring the food and medical supplies of the population. These international legal regulations should be used as a strict standard to judge the Argentine occupation of the islands, as well as any other military occupation.

The part of the laws of war governing the actual conduct of armed hostilities was relevant during the Argentine occupation of British forces on April 2, and has remained relevant with the imposition of a so-called war zone, a blockade and further engagement of armed forces. Both states are, of course, bound by the principles of customary international law governing the conduct of hostilities.

Of the multilateral agreements to which both are bound, the most significant are: the 1925 Geneva Protocol on the use of bacteriological and chemical warfare; 1949 Geneva Convention I on the treatment of wounded and sick armed forces on land; 1949 Geneva Convention II on the treatment of wounded, sick and shipwrecked armed forces at sea; 1949 Geneva Convention III on the treatment of prisoners of war; and 1949 Geneva Convention IV on the treatment of civilians.

The international law referred to provides an important public standard against which state actions may be judged. The absence of any viable enforcement mechanism in the international legal order does not necessarily deprive the law of its authority or utility, as states may choose to ignore international law for a variety of other reasons.

They may wish to be regarded as complying with their international obligations, if for no other reason than to justify their actions and to obtain international support. They may also hope that compliance with the law will be reciprocated, or fear adverse consequences if the law is violated.

It is not surprising that the law may be manipulated in search of these objectives, but this should not completely detract from the potentially useful role the law may play in ameliorating the consequences of the conflict.

Richard Gueff is an international lawyer in Paris. With Adam Roberts he edited "Documents on the Laws of War," recently published by Oxford University Press.

Letters

Response to Nitze

Regarding "Defense in Europe: The First-Use Option," (JHT, April 19): I was disappointed by Mr. Nitze's failure to address the critical question of whether NATO's first-use policy would survive, even in response to an overwhelming conventional offensive, be the first to use nuclear weapons knowing it would inevitably lead to a nuclear attack in return? The answer is not only that this principle is not sound, but it is not even borne out by history.

Reagan, the warmonger, tried to establish a trade embargo, but such courageous statesmen as Schmidt and Brandt and most of their Western colleagues refused to follow his lead.

These same statesmen proved their courage beyond a shadow of a doubt when they immediately embargoed the Superpower Argentina which had invaded the whole Falkland-Continent at tremendous costs of human lives.

Far be it from me to defend the illegal act of the Superpower Argentina, but such outrageous reactions of most Western statesmen make me shudder for our future.

RICHARD KOBLER, Oberbergen, Switzerland.

The Case for 'Maybe'

Regarding "Defense in Europe: A Preference for 'Maybe,'" (JHT, April 22): Maxwell D. Taylor has persuasively argued that a policy of "maybe" to the first use of nuclear arms by NATO may strengthen the deterrent effect against a potential Soviet invasion into Western Europe (JHT, April 22). But deterrence alone is only half the picture. An effective defense policy must serve the dual purpose of deterring aggression, and also of protecting what it intends to protect as much as possible, if deterrence should fail nevertheless. That occasionally deterrence does fail, in spite of the best efforts, there are numerous examples. A policy that would lead to a nuclear holocaust in Europe, and very likely in the U.S. and the U.S.S.R. as well, if armed conflict between East and West should ever break out in Europe, may

make such a war somewhat less likely, but would also make it vastly more destructive to both sides. It is as if someone would blow up his own house in case of trespassing, to deter burglary.

DIETRICH FISCHER, New York.

On Argentina

Some time ago, little Russia invaded tiny Afghanistan, later it caused Poland to invade itself, killing a few people and holding both countries occupied until today.

Reagan, the warmonger, tried to establish a trade embargo, but such courageous statesmen as Schmidt and Brandt and most of their Western colleagues refused to follow his lead.

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RICHARD KOBLER, Oberbergen, Switzerland.

April 29: From Our Pages of 75 and 50 Years Ago

1907: French Tax Plan Opposed

PARIS — M. Poincaré, who was Minister of Finance in the Sarrien Ministry, which preceded the present one, delivered a speech in Neuilly in which he criticized the government, saying that he regarded the income tax proposed by M. Caillaux as of too revolutionary a character. To upset the entire fiscal system of the country all at once was, he considered, a dangerous experiment. He said, further, that if functionaries were allowed to form labor unions and organize strikes the result would be anarchy. It was therefore necessary to crush out the movement in that direction at once. As for internationalism, that was an anti-social influence that ought to be put down with an iron hand.

1932: Emanatorium in Germany

SAALFELD, Germany — A unique curative agency will be added by the end of May to the attractions of the Fairy Grottoes near here. It will be an underground emanatorium in a cave with strongly radioactive air. The springs that emanate from these caves, which have for some years been used with excellent results in the treatment of nervous affections and metabolic diseases such as gout and rheumatism, include radioactive ones. It was assumed that radium emanations must proceed also from the rocks from which this water flows, and tests conducted throughout the winter established in the existence of high radioactivity in the air in one cave connected with the highest level of the grottoes.

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Planned Constitution Sweeps Away Vestiges Of Mao Institutions

By Michael Weisskopf
Washington Post Service

PEKING — China has published a proposed new constitution that sweeps away the last vestiges of Maoism with provisions restoring the post of head of state, establishing state control over the powerful military and stripping the people's communes of political power.

A draft of the document unveiled on Tuesday night reverses many of Mao's radical precepts and provides a legal basis for the economic, social and political changes of his more moderate successors. It is expected to be approved by the national parliament later this year.

The leadership, headed by the Communist Party deputy chairman, Deng Xiaoping, hopes to broaden the base of authority and inject checks and balances into a political system that has been monopolized by the party. Mr. Deng has said that the concentration of power in Mao's hands led to serious abuses, such as the Cultural Revolution of 1966-1976.

Mr. Deng ordered a new constitution 18 months ago because the last version written in 1978 excluded Mao's ideas, praised the Cultural Revolution and institutionalized his style of one-man rule as party chairman for 27 years.

Key Moves

Provisions in the draft constitution to appoint a head of state and a central military council, both responsible to the national parliament — not the party — are seen as key moves to counterbalance the direct power of the party's chairman and its military affairs commission.

It remains unclear how party and state officials would divide their tasks. Although Mr. Deng has said that the party should take a back-seat adviser's role, foreign analysts believe that it will retain the dominant policy-making role in any restructured system because party members often work alongside bureaucrats in key positions and many bureaucrats also are party members. There is no question, however, that Mr. Deng is in principle at least trying to spread out power and to place his own imprint on China's government and politics.

Since seizing power in China in 1949, the Communist Party has inspired all national policies while entrusting their implementation to the government. The distinction has been irrelevant, however, because the people who have run the government also have occupied top party positions.

According to portions of the draft document, released Tuesday

night, the head of state, or state chairman, would have broader powers to appoint the premier and other top government officials, declare war, ratify and abrogate treaties, and assign ambassadors.

The state chairman would be elected to a five-year term by the leadership of the parliament, known as the National People's Congress. The chairman could be re-elected but may not serve more than two consecutive terms, according to the Chinese news agency.

China has had two state chairmen, but the job was abolished by the 1975 constitution to eliminate a potential power base for Mao's rivals. Liu Shaoqi held the post until Red Guards arrested him in 1967 and threw him into jail, where he died in 1969. Mao, who was chairman of the state and party until 1976, was the only other person to hold the job. At the start of the Cultural Revolution, he came to see Mr. Liu as a political challenger and viewed Mr. Liu's job as a threat to the supremacy of the Communist Party.

Since real power in China derives more from personality and contacts than official position, the role of state chairman under a new constitution will depend on the choice. Mr. Deng, 77, is an obvious candidate, but he has said that the job should go to a younger man.

Drafters of the revised constitution were careful to avoid any conflict for Mr. Deng in running the armed forces. He now chairs the party's military affairs commission, which makes him in effect commander in chief.

Since China's first constitution in 1954 made the state chairman commander in chief of the armed forces, there was speculation that someone else would assume top honors in the new central military council because Mr. Deng has taken himself out of consideration for state chairman. But the proposed draft said that the new council would be headed by a person elected by the parliament, which means that it need not be the state chairman. That is seen as a way to elevate Mr. Deng to the top military post without requiring him to be state chairman.

Another major institutional change proposed by the draft is restoring the elected townships to govern the political life of China's 800 million peasants instead of people's communes inspired by Mao in 1958.

Since Mao's death in 1976, economists have discovered that communes were being weighed down by millions of self-aggrandizing, incompetent and sometimes corrupt bureaucrats.

Sri Lankans To Move Capital To New Site

Reuters

COLOMBO, Sri Lanka — Sri Lanka will start moving its capital Thursday from this crowded city to the site of an ancient fortress five miles (eight kilometers) away.

"The capital has to be shifted because Colombo is getting too congested," said Information Minister Ananda Tissa de Alwis.

The move will take about 20 years, according to official sources. It begins with the ceremonial opening by President Junius R. Jayewardene of a new parliament building, which has seats for 200 in an ebony-paneled chamber.

Parliament will be the nucleus around which the new capital will grow, on the site known as Sri Jayawardenapura, seat of a Sinhalese kingdom from 1412 to 1597. Colombo will remain the commercial center. Government offices not connected with trade will move to the new site next year, officials said.

U.S. to Accept More Cambodians

Reuters

BANGKOK — More than 10,000 Cambodian refugees in United Nations-run camps in Thailand will be resettled in the United States in the next few months, a U.S. Embassy spokesman said Wednesday.

It will be the first large group of Cambodians to enter the United States in more than a year. No one without U.S. ties would be accepted, the spokesman said.

The Cambodians would be included in this year's U.S. quota of 100,000 Indochinese refugees. There are an estimated 80,000 Cambodian refugees in Thailand.

1 Dies as India Police Shoot in Religious Riot

United Press International

NEW DELHI — One person was killed and 12 were wounded when police fired into crowds of fighting Hindus and Sikhs in the Sikh holy city of Amritsar, according to reports Wednesday from the northern Indian state of Punjab.

The state government ordered police to shoot rioters or breakers of a 24-hour curfew imposed on the riot areas, officials said after the fighting Tuesday in Amritsar. The clashes between the two religious communities, triggered on Monday by the discovery of two severed cow heads in front of Hindu shrines in Amritsar, spread to several other cities in the state.

El Salvador Postpones Choice in Leadership

By Joanne Omang
Washington Post Service

SAN SALVADOR — The legislative session to name El Salvador's new provisional president has been canceled unexpectedly by the assembly's rightist leadership, indicating a heightening of tension over division of power.

The constituent assembly directorate, controlled by supporters of the former army major, Roberto D'Aubuisson, called the 60 deputies individually Tuesday around noon to cancel the 3 p.m. session, giving no reason. Mr. D'Aubuisson's Nationalist Republican Alliance Party, known as ARENA, its Spanish abbreviation, is fighting to stop the election to the country's highest post of a moderate banker, Alvaro Alfredo Magana, 56. Two members of ARENA indicated that the move was an attempt to stall for time.

Rumors circulated in the absence of any concrete information, and a broadcast on an ARENA-supported radio station said there had been a decision to elect a conservative military man, Col. Nicolas Carranza, the head of the state telephone company, Antel. But the broadcast did not say who had made the decision and no one could confirm it.

34 Major Party

Officially, ARENA leaders charged that the armed forces, which back Mr. Magana for the presidency, had threatened the lives of members of another rightist party, the National Conciliation Party, to get them to vote for Mr. Magana, National Conciliation, which ruled as representatives of the landed aristocracy for decades.

holds the balance of power in the assembly's decision.

The third major party in the drama here, the Christian Democrats, who have said they support Mr. Magana, appeared amused by the cancellation.

"They have some problem of a lack of an agreement," said Christian Democratic Party Secretary Julio Samayoa. With 24 votes in the assembly, the Christian Democrats are a strong minority but cannot exercise control.

National Conciliation deputies were unavailable for comment, but several said earlier Wednesday that there was deep division within the party over the way the military had intervened in the political process on Mr. Magana's behalf. With U.S. encouragement, the full leadership of the armed services told the parties last week to form a government of national unity, preferably under Mr. Magana, or risk losing all U.S. aid.

Implicit in the army's "very strong suggestion," as a party leader called it, was the threat of direct military intervention to force the warring political parties to come to an agreement. The armed forces have wielded power for many years in El Salvador, and its highest officials are known to be increasingly impatient with the inability of the politicians to form a united front against the continuing guerrilla threat.

(The Salvadoran Army committed up to 4,000 troops backed by planes and helicopters Tuesday in the largest military drive of the year against rebels planning May Day attacks, United Press International quoted military sources as saying.)



Alvaro Alfredo Magana

20 in Village Unit Shot in Guatemala

The Associated Press

GUATEMALA CITY — An armed band shot and killed 19 men and a woman who were members of a civil defense unit and then burned their bodies, national police said.

The peasants were attacked as they organized a patrol Sunday night in Shipicul, a village in Chimaltenango department, 42 miles (67 kilometers) east of here, police said Tuesday.

In Guatemala City, assailants in a car Tuesday gunned down two other members of a civil defense unit, a husband and wife, as they walked along a street, police said. The woman was holding their infant son in her arms, but he was not hit by the bullets.

Torture Victim Center Is Planned in Denmark

The Associated Press

COPENHAGEN — A group of Danish doctors is planning to open what could be the world's first rehabilitation center for torture victims.

The center would provide diagnosis and treatment of lingering physical and psychological effects of torture on its victims, according to Dr. Inge Kemp Genefke, who heads the project. It is to be called the Rehabilitation Center for Torture Victims, and will be located in Copenhagen.

Dr. Genefke said she hopes the center will open by September, 1983. It is expected to need about \$800,000 to operate in its first year, all from public and private donations.

The Danish government has pledged one million kroner (\$120,000), and has said it may donate space to house the center. The facility's planners said they hope that some of the remaining would come from a special fund for torture victims that was approved by the United Nations General Assembly in December.

30 to 40 Patients

to its initial phase, the center is to have a full-time staff of five physicians and psychologists capable of handling between 30 and 40 patients in its first year.

Dr. Genefke, a neurologist at Copenhagen University Hospital, has spent the past nine years studying the long-range effects of torture on its victims and how to treat them.

Treatment can take five to 10 times longer than for most other kinds of patients, she said.

The most important part of victims' rehabilitation is psychological — helping them recognize and eventually eliminate common symptoms such as recurrent nightmares, depression and loss of memory, Dr. Genefke said.

Study on Torture

She is working with a group of Danish doctors, some of whom formed a medical advisory group in 1974 for Amnesty International, the London-based human rights organization.

Dr. Genefke and her colleagues conducted a study, published by Amnesty International in October, 1980, on the long-term effects of torture. It was based on examinations of 14 former political prisoners in Argentina who were in exile in Italy.

"Many people believe torture is a brutal attack of shorter duration on the prisoner, but the atrocity has a permanent effect," a Danish medical adviser at Amnesty International's London secretariat, Dr. Ole Vedel Rasmussen, wrote in the report.

Since the study was conducted in May, 1979, Dr. Genefke and about 50 doctors, nurses and other medical staff members from her hospital have helped treat about 20 torture victims from several countries, many of whom settled in Denmark after being tortured in foreign prisons.

"We found that every one of these, no matter how long ago he was tortured, was still sick," said a neurologist, Dr. Finn Sommer. "Many had strange relationships with their bodies. They bated them because they hurt them then and they still hurt them now."

Jade, a Symbol of Good, Means War in 'Golden Triangle'

By Denis D. Gray
The Associated Press

CHIANG MAI, Thailand — The Chinese once regarded jade as a symbol of the best qualities in man. But along today's jade trail, from the jungles of Burma to the emporiums of Hong Kong, the gem drives men to gang wars, smuggling, a strange kind of gambling and sometimes suicide.

Mined in the heart of the notorious "Golden Triangle," the precious mineral passes through the hands of warlord armies, rebel minority groups and Chinese dealers before it is fashioned into carvings and jewelry sometimes more valuable than diamonds.

The best jade in the world is quarried in the Kachin state of northern Burma. The Chinese discovered this 4,000 years ago, ensured a flow of it to their imperial court and sculpted overpriced artifacts from the hard stone.

Today, jade leaves northern Bur-

ma in three directions, the bulk of it being smuggled into Thailand.

The Burmese government, which needs foreign currency badly, has tried to acquire as much of it as possible since nationalizing the mining industry 19 years ago. What it does retrieve is auctioned off to European, American and Asian dealers at a state emporium held each year in Rangoon.

Burma has made \$75.5 million since the auctions began in 1964, with jade sales accounting for more than 45 percent of the total proceeds.

Those involved in the gem trade in Rangoon estimate that at least 10 to 20 times what is sold at the state auctions gets smuggled abroad. The mining areas, located in rugged, jungle terrain, are full of rebels of the Kachin Independence Army, one of a dozen odd minority groups fighting for autonomy from the Burmese government.

Kachin rebels who recently sur-

rendered to the government claimed that some of the jade is smuggled into China; the claim was supported by jade dealers in this northern Thai city.

But by far the largest quantity of illicit jade winds its way to Thailand by boat, mule caravan, human porters and motor vehicles. The passage of the jade is taxed by other rebel groups, who use the funds to maintain small "liberation armies."

Private Armies

Some of the biggest opium smugglers, who also maintain private armies, happen also to be among the top jade traffickers, and the periodic "opium wars" among groups competing for the opium harvest can also be regarded as "jade wars."

Thai authorities say that Khun Sa, regarded as the most powerful opium warlord of the triangle, maintains a highly profitable side-

line in jade. Although his Shan United Army, formerly based in Thailand, was badly battered by Thai military forces early this year, his opium network is still strong and his jade operation is still run by a relative here in Chiang Mai.

Jade appeals to the aesthetic and gambling sensibilities. Confucius extolled jade 2,500 years ago, and an ancient Chinese book noted that "the superior man competes in virtue with jade." Many of today's traffickers are Chinese, from the mainland as well as overseas.

Acquiring the jade can be a form of gambling, both in Rangoon and in places like Chiang Mai, a key transit point for Hong Kong, the world's jade capital.

Jade is sold as rocks, with only a sliver of crust shaved off to show the normally green or whitish insides.

One veteran dealer in Chiang Mai says it is virtually impossible

to tell from this exposed slice whether the stone inside is only good for a paper weight or whether it has the translucent, unmarred texture and uniform coloring that will fetch thousands of dollars.

The best quality jade, rarely found on the market, can go for as much as half a million dollars for a half kilogram (1.1 pounds) in Chiang Mai.

Dealers, the veteran said, have been known to make all-or-nothing purchases, watch the saw bite their stones and then go out and shoot themselves in the head.

Fire at Brussels Airport

The Associated Press

BRUSSELS — The Brussels airport was closed for six hours Wednesday after smoke from a small fire spread through the air conditioning system at the Sabena Airlines catering area, a spokesman said. No one was injured.

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Austria.....	\$ 2,700.00	1,350.00	730.00	Mexico (air).....	\$ 330.00	165.00	92.00
Belgium.....	\$ 5,400.00	2,700.00	1,500.00	Morocco (air).....	\$ 230.00	115.00	63.00
Bulgaria (air).....	\$ 230.00	115.00	63.00	Netherlands.....	\$ 405.00	203.00	115.00
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Denmark (air).....	\$ 990.00	495.00	270.00	Polynesia, French (air).....	\$ 248.00	124.00	69.00
Egypt (air).....	\$ 248.00	124.00	69.00	Portugal (air).....	\$ 2,200.00	1,100.00	1,980.00
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Iran (air).....	\$ 248.00	124.00	69.00	Tunisia (air).....	\$ 230.00	115.00	63.00
Ireland (air).....	\$ 230.00	115.00	63.00	Turkey (air).....	\$ 230.00	115.00	63.00
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New Disclosures Reopen Debate on U.S. Hostage Rescue Attempt

By Scott Armstrong
George C. Wilson
and Bob Woodward

WASHINGTON — The intelligence chief in the Carter administration says a new inquiry should be made into the abortive Iranian hostage rescue mission of two years ago.

Retired Adm. Stansfield Turner, director of the Central Intelligence Agency under President Jimmy Carter, called the raid a "searing national experience" that has not been completely plumbed for the lessons it holds for the nation.

Gen. David C. Jones, chairman of the Joint Chiefs of Staff and the principal architect of the rescue mission, which ended in flames and disaster on the Iranian desert, said Saturday that such an investigation would serve no useful purpose because there is little about the raid that has not already been explored.

This difference of opinion over whether a new review is in order comes at a time when other senior officials involved with the April 25, 1980, midnight attempt to extract 53 hostages from Tehran are confirming that the operation was much bigger and bolder than the public has been told.

Question of Perspective

Interviews conducted by The Washington Post disclosed a sharp difference in perspective among top military leaders, some lower-level planners and other Carter administration officials who knew what U.S. troops and planes were prepared to do. Conflicting plans included rushing in a backup force of 90 more commandos if the initial assault force of 100 men under Col. Charles A. Beckwith got trapped in Tehran or the nearby airport that was to be the takeoff point for their long-distance escape from Iran.

Military leaders insisted they were counting heavily on speed, surprise and stealth and believed it might have been possible to pull off the rescue without firing a shot. Mr. Carter and his top aides were willing to accept limited casualties and some officials believed there would inevitably be deaths, perhaps hundreds if the firepower available to Col. Beckwith was called in.

Noting such conflicting viewpoints and arguing that the raid has too many policy implications to ignore any longer, Adm. Turner said:

"It is now time to appoint a small group to examine how the operation was planned and executed. The purpose would not be to look backward and cast blame but to look forward and learn the lessons that surely lie buried in the complicated mission."

"Some of the questions that should be addressed would be: What does the experience tell us about national decision-making? About our military capabilities, organization and motivation? About the problems of totally secret military operations?"

Gen. Jones contended in a separate interview:

"We're not going to have another situation just like the Iranian situation. They never repeat themselves. Let's look at the fundamental

problems like organization rather than taking an isolated case. We don't need to go back and look at things that happened two years ago. Let's get on with solving those fundamental problems," with reorganizing the Joint Chiefs of Staff. Such a reorganization is a priority with Gen. Jones.

Reforms made since the 1980 raid, particularly integrating military forces of the various services into a ready-to-go and-terrorist outfit, Gen. Jones said, make the United States "much better off today" to pull off a rescue successfully. He noted that a panel of officers under retired Adm. James L. Holloway 3d has already delved into the Iranian rescue mission and issued a critical report.

But that Mr. Carter's chief intelligence executive, who was involved in planning for the raid, is willing to urge a new inquiry, strongly suggests there is still much that could be told.

The interviews buttressed that viewpoint in bringing these fresh disclosures, some of them contradictory, about the rescue attempt.

Getting into the embassy undetected depended in part on information secured by the CIA from a handful of infiltrated agents and bribed guards among the student militants, including some who were scheduled to be on duty as guards the night of the raid.

Some Carter officials said the plan called for all the guards to be killed, while military leaders insisted the "Delta" force under Col. Beckwith was equipped with special hand and leg cuffs that could be snapped on the guards in an instant — and would have been if the troops had sneaked into the embassy as anticipated.

Although Mr. Carter firmly ordered that every effort be made to keep the loss of Iranian life to a minimum, he gave the chairman of the Joint Chiefs virtually a free hand once the mission got under way.

Mr. Carter increased the air support himself in what one aide called "military overkill."

While acknowledging that three C-130 gunships and dozens of fighters and fighter-bombers were committed to provide cover directly over Tehran, along exit routes and over Iranian Air Force fields, military leaders said they would not have strafed or bombed unless things went wrong on the ground. They said no more than four U.S. fighter planes would have been over Iran at any one time.

(As it turned out, the rescue mission was aborted during the first phase because of mechanical failures in two of the eight helicopters and the return of a third to the aircraft carrier Nimitz after it ran into a dust storm on the way to the first stop, called Desert One, in the Iranian back country near Tabas, 270 miles from Tehran. Eight servicemen — not nine, as the Iranians claimed — were killed in a refueling accident at Desert One after the mission had been called off.)

The Air Force had three C-130 gunships deployed, code-named Hammer, one to circle over the embassy compound, the second to cover Iranian military planes at the Tehran airport and a third to protect the raiders as they left Iran. The gunships were authorized to lay down machine-gun fire to repel any crowd that might try to block the way of the rescue team and hostages, who were to rush across the street to a soccer stadium to board helicopters.



Aftermath of the aborted U.S. rescue mission: eight Americans dead and the remains of aircraft in the Iranian desert.

The Pentagon deployed to Egypt a 90-man backup force code-named Python. It was to rush in to help Col. Beckwith's team if an emergency developed. An 83-man force of Army Rangers also was deployed to seize the escape airfield outside of Tehran called Manzariyeh.

Soon after taking over the CIA, the new director, William J. Casey, forwarded a highly classified CIA report to President Reagan that seriously questioned whether the covert and other support of the rescue team was adequate.

Several former Carter aides vehemently denied that there was any such inadequacy, while military officials said they were often furious that the CIA could not give them better information. Adm. Turner is said to believe that CIA infiltrations and penetrations in Tehran were good, ranging from "adequate to superlative."

One reason for the expected success of the latter stages of the mission, which were planned in detail but never executed, was that the Delta team helicopters would be disguised with Iranian military insignia.

Iranian agents accompanying the Delta team would be dressed in Iranian uniforms as well. This was expected to generate mass confusion near the embassy and create the impression that the U.S. raiders were an Iranian mili-

tary outfit responding to a rescue or a coup attempt.

Iranian air defenses guarding U.S. entrance routes had been sharply reduced on the night of the raid because a high-ranking Iranian defense official recruited by the CIA had ordered the mobile ground-to-air missile and radar facilities relocated to the northwestern border of Iran or sent out on maneuvers. Several U.S. military leaders said they had no knowledge of this arrangement.

Before he resigned because of his objections to the mission, Secretary of State Cyrus R. Vance told Mr. Carter that the overall hostage crisis was not causing extensive damage to national security.

The planned rescue mission might, however, harm national security, he warned. Mr. Vance said the Iranians might well round up another bunch of Americans, such as oil company employees and journalists, putting the U.S. government back in the same bind.

Counting air crews and backup forces, more than 400 Americans and others supporting the mission could have been involved on the ground in Iran at the moment when the raiding party was to free the hostages.

Mr. Carter withheld final approval for the mission until the weekend of April 19-20 and never seriously considered a punitive or retaliatory strike against Iran, although his national security adviser, Zbigniew Brzezinski, repeatedly urged such action. Mr. Brzezinski also suggested that to emphasize the mission's importance, the president should send him along with Col. Beckwith's team. Mr. Carter quickly dismissed the idea.

Consideration was given to knocking out the main radio transmitter in Tehran during the raid in order to prevent a warning broadcast that might trigger retaliation against the 200 U.S. civilians and journalists in Iran. Mr. Carter finally rejected the option.

The U.S. Embassy in Tehran was overrun on Nov. 4, 1979. Concerned that the militants might kill the hostages, a small cadre of Pentagon planners working in the Office of the Joint Chiefs of Staff began outlining rescue contingencies that afternoon.

The planners concentrated their approach on the Egyptian Dam that looked promising and were within 1,400 miles of the Iranian coast. By December, President Anwar Sadat had agreed to provide a staging base at Qena, an airfield north of the dam. U.S. radar surveillance planes and airborne command posts moved in almost immediately.

On April 16, the Pentagon planning group briefed the president on a mission it thought could succeed.

Day One of Mission

After flying from Qena airbase in Egypt and stopping at Masirah Island, Oman, the first day of the mission would start at 6:55 p.m. when an MC-130 transport plane with a radar-guidance system that allowed it to fly undetected would penetrate the Iranian coast.

The entry point near Chah Bahar, where U.S. construction crews and military planners had been building a large naval base when the shah, Mohammed Reza Pahlavi, was overthrown, was chosen because it was largely deserted. The Iranian coastal radar system left a substantial gap there.

Five more planes would follow north and then northwest through the mountains. All six would then head for an unimproved but hard landing strip 500 miles inland in the middle of the Iranian desert. The spot was near a road that intelligence experts expected to be lightly traveled.

The first plane would arrive 34 minutes before the others so it could swoop low to check the unmarked spot and land with a specially trained company of Rangers who would secure the area and set out infrared markers on the edge of the runway.

Within the next hour, Col. Beckwith's Delta team would arrive in two other MC-130s, accompanied by three C-130s carrying fuel. Behind them would come the eight helicopters flying more slowly from the aircraft carrier Nimitz.

After an hour to refuel the helicopters, the Beckwith force of 100 men, plus the dozen or

so Iranian agents, would board them and fly for 2 hours, 13 minutes, straight toward Tehran.

Fifty miles southeast of the city, the helicopters would deposit the Delta team out of sight of trains moving along nearby tracks, then fly three miles away to a bulldozed hideout in the mountains, code-named Figar. Guards were deployed around the hiding spots and would have temporarily detained any intruders.

Eight trucks would pick up Col. Beckwith's team before dawn at an old caravan stop near Figar and drive them on a main highway and then on a back road to a remote warehouse (code-named Charley) provided by a local merchant. The trucks would be dispatched at intervals resembling normal commercial pickups and deliveries.

During the next day, covert teams previously filtered into Tehran under false passports issued by other countries would brief the Delta team. At the end of the day, the team would break up into smaller units and, masked by commuter traffic, drive the last 15 miles to hideouts in the city, where they would remain until late that night.

Schedule for Drum Beat

The most recent intelligence report from informants among the militants indicated that there were likely to be as few as 15 guards in the entire embassy compound. Only three or four would be stationed outside. The stories about extensive booby traps and mines appeared to be false.

"We had an intelligence breakthrough at the last minute," a senior official said. "We had predicted where the hostages were ... and we learned later we were right."

Drum Beat, the code word for the moment when Col. Beckwith's assault team was to hit the embassy wall, was scheduled for 10 minutes after midnight. One group would cut phone and electrical lines. An official said perhaps only one guard on the outside of the wall would have to be killed to get inside without detection.

Based on intelligence and a study of architectural drawings of the two buildings housing hostages, the team knew where the guards and hostages were likely to be. The team was confident it could overcome the guards silently, before they could harm the hostages.

The president "was not naive that we were going to tie the hands of the guards," a senior Carter aide said recently. "You weren't going to spend time tying the hands of people and jeopardizing the mission." They would all have to be killed, even those on duty who had helped.

When the hostages were assembled, the raiders would move them to the northeast corner of the compound. Using the code word Dynamo, Col. Beckwith would call in the helicopters and the group would move briskly across the broad intersection of Roosevelt Street to a nearby soccer stadium. Their move-

ments would be covered by a prepositioned combat team on the corners of the stadium's walls.

Two helicopters would arrive at the stadium moments later. Two others that had been loitering above a construction site five miles north would arrive seven minutes after that and another two (if they made it to Tehran) a few minutes later. In all, the plan allotted 30 minutes to load the helicopters.

'Revolutionary Guards'

In the event that crowds gathered, the Iranians accompanying the Delta team, but dressed as if they were Iranian Revolutionary Guards, were prepared to shout either that they were trying to prevent a rescue attempt by the Americans or a coup attempt. The planners hoped that in the impending confusion the crowd would disperse.

If the crowd got out of control or if snipers began firing, one of three AC-130s (code-named Hammer) circling overhead would spray the streets with bullets. Armed with four 105mm multibarrel, rapid-fire cannons and four machine guns aided by searchlights and infrared night-viewing sights, the Hammer team was carrying special ammunition that would explode on hitting the pavement.

While the main Delta team hit the embassy, another squad would hit the Ministry of Foreign Affairs, where three ranking diplomats were being held. The ministry was in the middle of a cloister of government buildings. However, the area would be virtually deserted on Friday night. The building was considered to be lightly guarded and easy to enter. Two helicopters were to pick up the team and fly south to Manzariyeh.

The helicopters and AC-130s would fly for 38 minutes south from Tehran toward the deserted Manzariyeh airfield secured by a team of Rangers. There they would board three C-141 transports, two of which were flying hospitals, and head south and then west over the Gulf, across Saudi Arabia and on to Egypt.

There also were Iranian air bases with F-4 fighter-bombers purchased during the shah's regime. They were clearly within striking distance of the route of the cumbersome helicopters and AC-130s. The F-4s at the Tehran airport posed a particular threat, since it was directly on the route south.

Not Trained for Night

The Pentagon planners knew the Iranian pilots had never been trained in night fighting. Still, the possibility that some planes would attempt to intercept the force in the nearly three hours it would be in Iran before exiting could not be ignored.

To combat this threat, U.S. electronic-warfare planes would be in place not only to jam radar and communications but to detect when the F-4s were about to take off.

They would be able to order in a portion of the 48 F-4s and A-6Es off the carrier Coral Sea and 24 A-6Es from the Nimitz to bomb Iranian runways. A dozen A-7Es from each of the carriers could provide additional cover against Iranian ground forces. And if planes should get off the ground, the 24 F-14s from the Nimitz could join the F-4s in intercepting them.

The White House had prepared a message to the Soviet Union to explain the rescue mission if there was any indication that the Russians were, in the words of a Carter aide, "getting the wrong idea that this was anything more than just a hostage rescue."

If Soviet forces made a move, the United States was ready to call in additional forces from Europe and two carrier groups sailing toward the Indian Ocean.

Beckwith Introduced

When Gen. Jones and his briefers finished describing these plans at the April 16 meeting in the White House Situation Room, they introduced Col. Beckwith, who assured the group that there was no team better suited for the task anywhere.

Mr. Carter asked many questions and wondered if there were anything more he could do to assure the mission's success.

Gen. Jones was blunt, according to the notes of a participant. "We want to answer all your questions now, Mr. President, and not be bothered with questions about why not do this, why do that" during the mission.

"Once you start," Mr. Carter pledged, "I'll stay out of your business."

After the meeting, Hamilton Jordan, the White House chief of staff, approached Mr. Vance, who had opposed the mission on the grounds that it would not work, while negotiations combined with economic sanctions eventually would. Mr. Jordan asked the secretary if he felt better about the plan.

Yes, he replied, but indicated he still opposed it. "Don't forget, I was at the Defense Department for years and the military will never tell you they can't do anything."

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Iran Reportedly Was Duped in U.S. Tank Deal

ZURICH — Swiss authorities are investigating an arms deal in which Iran was apparently duped of \$46 million, a legal official confirmed Wednesday, following a newspaper revelation of the alleged fraud.

The article in *Blick*, a mass-circulation tabloid, said that Iran had paid the money for 50 U.S. tanks that it never received.

Armin Felber, a spokesman for the Zurich district attorney's office, acknowledged that the *Blick* article was essentially correct. Referring to the article, he said that Swiss investigators are "on to a pretty big deal," but he de-

clined to comment further, saying that the district attorney in charge of the case was absent.

According to *Blick*, three Swiss businessmen proposed the sale of the M-48 tanks in July to Sadegh Tabataba'i, a former Iranian deputy interior minister living in West Germany. A U.S. acquaintance had told one of the three that the tanks were available despite a U.S. arms embargo against Iran.

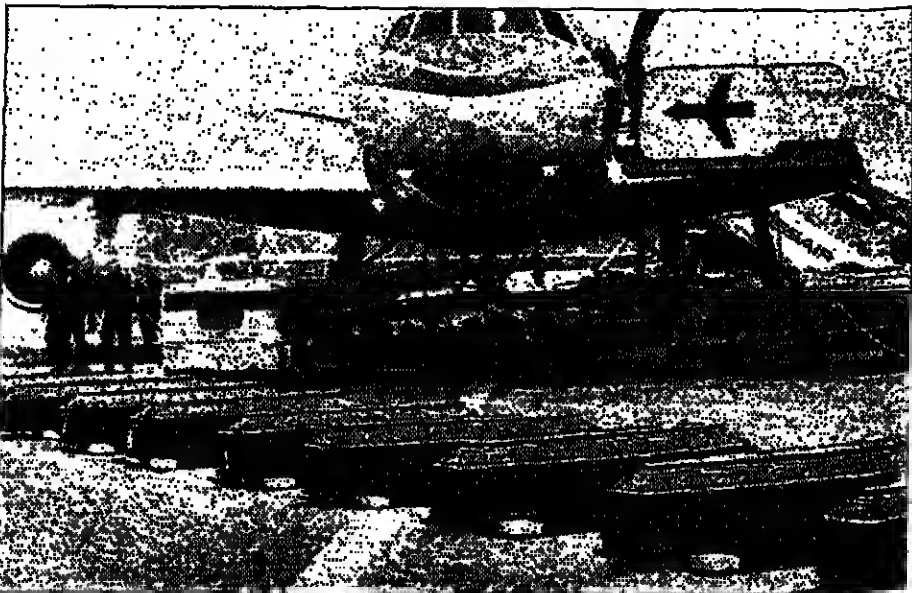
On Mr. Tabataba'i's suggestion, the three contacted Botco Ltd., an Iranian trading company in London, which sent a London-based Iranian diplomat to Zurich to set the deal, the newspaper said.

The West German bank charged with the

transaction released the \$46 million — 70 percent of the agreed-on price — after two of the three businessmen produced bills of lading and other documents, *Blick* said. Police were investigating the veracity of the documents.

The newspaper said that about \$30 million allegedly was used to pay off Americans involved in the deal and had disappeared, but that most of the rest of the money had been recovered.

Swiss police arrested the three implicated businessmen several days after being alerted to the deal in January, but recently released one of them pending the completion of investigations, *Blick* said.



Coffins with the remains of the U.S. servicemen on a Zurich runway.

Paris Opera Premieres 'Ondine'

By David Stevens

PARIS — "Ondine," the second opera by the 73-year-old composer Daniel Lesur, which has just been given its world premiere by the company of the Paris Opera, is part of a curious late blossoming in lyric theater by a group of French composers who reached their maturity in the 1930s.

At that time, Lesur and three other composers formed a group called *Jeune France*, whose manifesto was a rejection of neoclassicism and Central European abstraction and a return to "humanity," although they did not resemble each other much in their music. None seemed much attracted to opera, but under Rolf Liebermann the Paris Opera commissioned new works from two of them. André Jolivet died before completing his; Olivier Messiaen missed his original deadline, but his work on St. Francis is still awaited.

Lesur turned to opera for the first time with "Ondine del Sarto," based on Musset's play, which had its premiere in Marseille in 1969 and enjoyed a certain success thereafter. Next, without the impetus of a commission, he turned to Jean Giraudoux's fairy tale "Ondine," produced by Louis Jouvet in 1939. Henri Sauguet did the stage music for that production, but a subsequent opera project fell through, leaving the field to Lesur, whose work is now being given at the Théâtre des Champs-Élysées.

For "Ondine del Sarto," Lesur evoked the Italian Renaissance with a colorful, brassy, neo-romantic score. The string-dominated music of "Ondine" evokes the shades of Debussy, Dukas and late 19th-century romanticism, with vocal lines hovering between continuous arpeggio and recitative, but the subject matter is less amenable. Much of Giraudoux's literary brilliance is necessarily lost in the composer's own libretto, yet, except for one flamboyant, complex ensemble in the second act, the music does not assert its own rights and settles into a kind of richly orchestrated, flowing monotony.

In place of the playwright's evocation of German romanticism, André Acquart's designs opt for a kind of high-tech stylization, with a metal and glass landscape lit to represent both aquatic and terrestrial realms, and vaguely Edwardian white garb for the inhabitants of both. The trenchcoats and floppy fedoras for the mermaids pre-



Act 2 scene from Lesur's "Ondine."

sumably represent their immortality to water, but it was not one of the happier ideas in Jean-Claude Fall's staging.

The all-French cast gave a creditable account of the work, led by Marie-Cristine Porta as the Molière-like Ondine, a childlike stranger in the socially cramped world of land-dwellers. Philippe Rouillon is a rather bland Chevalier Hans, Hélia Thézard the stern Bertha, Denise Scharley as Eugénie and Jean-Philippe Courris the fatherly king, while Fernand Dumont, as the aquatic monarch, resembles Daddy Warbucks in a white suit. Hikotaro Yazaki conducted, maintaining a solid sense of ensemble in the pit and on stage.

The Orchestre de Paris has been paying belated, but brilliant, centennial attention to Boulez, with two sets of concerts un-

This May Be the Year of the Close Shave for the Bearded

"I am certainly not going to shave now," — Paul S. Finot, a political science teacher, on being removed from his teaching duties at John Muir High School in Pasadena, Calif., because he had grown a beard during his summer vacation (September, 1963).

"Beards, like above-the-knee skirts, are becoming more a fashion and less a measure of social defiance," — Leonard Sandler, on behalf of the New York Civil Liberties Union, in its successful defense of the right of Abe Dweck, a Transit Authority employee, to wear a beard on the job (December, 1967).

"I feel free! I feel the wind against my face! It's refreshing! It's great!" — Vincent De Francesco, deputy director of the Fortune Society, after having shaved his beard because "it was time to change my image around." (April, 1982)

By Ron Alexander

NEW YORK — Above-the-knee skirts have made it back on the fashion scene, but beards, no longer a bristling issue after more than a decade of popularity, appear to be on their way out.

To Anne Hollander, a scholar of the history of dress, the reason is obvious: "We are tired of them. Visual tastes have their own laws, she says. The last time beards had as strong an American showing, Hollander says, was the period from around 1875 to the turn of the century, when they represented respectability. After that, with the exception of slick Clark Gable-type mustaches, facial hair did a disappearing act until the 1960s, when their return signified rebellion.

Gio Hernandez, director of Jerry's Barber Salon at Bergdorf Goodman, who reports "a definite increase within the past year in the number of men coming in to have their beards and even their mustaches shaved off," suggests it is because men are now striving for "a better balance for their new shorter haircuts."

Range of Motives

Seth Fielding, a psychiatrist who recently shaved his own beard, believes, somewhat more darkly, that motives for a man removing his beard may stem anywhere from the psychosexual (feeling confident enough about one's sexuality to deem beards, a symbol of masculinity, unnecessary) to the social ("a way of getting a fresh start when current values are not so terrific").



Seth Fielding: The psychosexual motive.

Company, shaving his 12-year-old beard "was a natural conclusion" to finishing 2½ years of psychotherapy. "It's like getting out from behind the mask with a new face," he said. "I'm getting good audience reaction."

But the most frequently heard reason for whisking away whiskers is the telltale touches of gray now mottling beards first begun a decade or so ago. Herewith, the step-by-step explanation of why and how Warren Mitofsky, director of the CBS News election and survey unit, did away with the beard that would have been 12 years old later this year:

"It started to get gray slowly. I began to color it. I got tired of coloring it. The beard got whiter and whiter. The hair on my head did not. I got tired of looking like Santa Claus. I took scissors, then a razor."

To the smooth-faced Mitofsky, "The world still looks exactly the same and shaving is still a pain."

Being referred to as "venerable" as his beard became touched with gray is also what prompted Prof. Peter Pouncey, a Greek historian at Columbia University, to shave again. Edward Belling, a playwright whose tinged-with-gray beard has just completed a 14-year-run, reports, "It's a great feeling when you're 40 and you're told you look 10 years younger."



Warren Mitofsky: Off with Santa Claus image.

Chester Weinberg, the fashion designer, put down his pinkish shears and picked up the clippers when his friend Calvin Klein told him that his white husky mustache, the last remnant of his beard, was making Weinberg look "too distinguished." With the removal of the beard and mustache he had begun growing two days after winning a Coty Award in 1970. Weinberg now feels "naked but happier about having moved away from the cliché of facial hair."

A Completed Experience

Why had he grown a beard in the first place? "I relaxed, broke out of the couture world of Geoffrey, Oscar and Bill, started taking the underpinnings out of my designs and completed the experience by starting a beard," Weinberg said.

Not every man adjusts quite so easily to a smooth oiled face. Harry Clein was depressed and drained of energy ("Just like Samson," he said) when he first shaved his beard a few years ago.

"Everything went wrong," he recalls. "My car broke down. My love life was awful. I grew it back and life got better." Recently, when he started his own publicity firm, Clein made a promise to him-

self: "If I got the job of handling the publicity campaign for the film version of 'Sophie's Choice,' I'd try shaving it off again." He got "Sophie," he lost his beard and this time around the clean-shaven life is fine. Still, he says, "It's like taking the last five dollars out of your bank account."

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'Bring Me Sunshine' Is Cloudy

By Sheridan Motley

LONDON — That the late and lamented C.P. Taylor should finally have two of his plays simultaneously running in central London is perhaps some sort of belated apology for the neglect shown all too often by the commercial theater toward this major playwright in his lifetime.

Even now, one of those productions, "Good" (IHT, Jan. 14), is at the Aldwych because of the Royal Shakespeare Company, while the other, "Bring Me Sunshine, Bring Me Sunshine," is at the Shaw because of another subsidized company, the Newcastle Playhouse, where this production was first seen a few months ago.

But it has to be said that these last two plays by Taylor are a distinctly uneven pair, where "Good" is in my view the most important script to have been written by a British dramatist thus far in the '80s, "Bring Me Sunshine" is a curious throwback to the kind of nostalgic domestic comedies that Taylor was doing five and 10 years ago in "A Nightingale Sang" and "Some Enchanted Evening." We are back in that Peter Nichols territory where a central stage narrator brings out his nearest and dearest for our inspection and recalls highlights from their shared domestic past as one big and often unhappy family.

There's no doubt that this Newcastle company, under John Blackmore's direction, brings to "Bring Me Sunshine" a lot of the vivacity and authenticity that's only possible when you get a local company playing local characters in a local setting: the trouble is that when seen in the somewhat colder and more remote light of Euston Road, a little Georgie folkiness goes a very long way indeed.

The seeker after sunshine and smiles here is presumably Ted (Tim Healy), an unemployed Newcastle shipworker who passes his days scavenging for abandoned bric-a-brac in trash dumps and attempting to sort out a family obsessed with illicit sexual encounters. Sex seems to be used by the family like a sort of communal vacuum cleaner, good for sweeping up people and memories that would have been best left either on or under the carpet.

Nobody here really manages to command our interest or affection for long enough to make us care; neither Ted's wife (forever eager to run off with a local sergeant major), nor his appallingly unsatisfied and unsatisfactory children, seem to deserve the attention that he and we are asked to lavish on them, and it is only when an enchanting old-age pensioner (Dick Irwin) manages to mug his teenage attackers before complaining to the police of assault that we begin to see how much funnier a play this might have been if other tables and beds were similarly turned. Sadly they are not, and we end up with a bleak cartoon-style war report from generation gap in downtown Newcastle.

Latchmere, which in a few short weeks has already established itself (just beyond the south end of Battersea Bridge) as one of the three best pub theaters in London. After his triumph with "Fear and Loathing in Las Vegas," now to be found at the Fortune, the director Lou Stein has brought in a double bill by Stephen Lowe entitled "Comic Pictures." The first of these two 50-minute pieces, "Cards," is admittedly little more than a revue sketch, built around that extraordinary moment in English seaside history when the comic-postcard cartoons of the great Donald McGill were briefly replaced by photographs of actors recreating for the camera some of the bawdiest fat-lady jokes.

Lowe thus takes us to a 1950s East Anglian windswept beach where "the family" (fat mum, hen-pecked dad, buxom daughter and sex-starved son) are brought to a kind of life while they perform their appalling routines and try to come to terms with a changing world in which nudity is now all that's required of them.

Then however, we get "Stars," a far more thoughtful and touching and fascinating play which, written five years ago, foreshadows "Yanks," "Pennies From Heaven" and "Private Dick" in its attempt to relate the realities of life in the 1930s and '40s to the images of it created by popular songs and films. It was remarkably foresighted of Alan Ayckbourn to commission "Stars" for his Scarborough theater in 1976, and remarkably dim of London managements to have left it lying unrevived until now, for in its account of a wartime Nottingham cinema manager and his ever-optimistic usherette living out fantasies of Humphrey Bogart and Hedy Lamarr amid the ice-cream wrappers is an altogether more successful evocation of provincial British life than that of "Bring Me Sunshine." Hollywood dialogue filtered through a Nottingham cinema screen is bound to sound eccentric; Lowe's triumph, here as in his later play "Touched," is to bring us back a

lost world in terms that would have made sense to its inhabitants.

The four in the cast (Janet Dale, Barry McCarthy, Timothy Walker and Nina Edwards) seem undeniably happier here than in the preceding comic postcard routines, and what they have to work with is I think a much more worthwhile and important play than has elsewhere been acknowledged. It does admittedly depend on a certain audience memory of "Waterloo Bridge" and all those other late-night television movies that come back to haunt us from the 1940s, but once they can be taken for granted what we have here is a marvelous evocation of wartime England lived through a haze of rationed nylon. What Lowe is about here is the fundamental difference between life on California celluloid and life in the blitzed provinces, and "Stars" manages to be at the same time a sentimental scrapbook of the movies and an indictment of the way they were allowed to condition reality on earth.

Arts Agenda

GENEVA — Giovanni Padoa-Schioppa's "The Barber of Seville," which provided Rossini's version by 34 years, will be given at the Théâtre du Courage May 2, in a new production by the Grand-Théâtre, staged by Paul Lombard and with sets and costumes by Jean-Philippe Roy. Bruno Morelli will conduct a cast headed by Gylisvère Rappoport as Basile, Peter Joffe as Alcindoro, Paolo Marzocchi as Figaro, Yveline Hunkeler as Bartolo, Franco Fendler as Basile, and with the veteran tenor Hugues Cuendet returning to the stage in the double role of Almaviva and Dr. Amato. Other performances are scheduled for May 5, 9, 12 and 13.

PARIS — John Naumke is staging his choreographed version of "A Midsummer Night's Dream" for the Paris Opera Ballet, which has scheduled its premiere of the work for May 5, with Nicole Ponthus as Hippolyta/Theseus, Jean-Yves Lemaire as Theseus/Obolon, Patrick Perraud as Puck/Robin/Puck, and Florence Clerc, Margot Louchere, Charles Judo, Bernard Bouchier and Georges Fletche in other principal parts. André Guedes will conduct the music, which was made by Mendelssohn and Gungl, and the sets and costumes are by Jacques Ross.

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Asia States Report High Growth; Bank Appeals for Funds

Manila — The Asian Development Bank urgently appealed Wednesday for more funds to support its leading programs in one of the world's fastest developing regions.

President Masao Fuyuki of Japan told the board of governors' 15th annual meeting that in spite of increasing difficulties, the developing countries of the Asia-Pacific region had achieved the highest average growth rate in the world over the past decade.

He said, "The resilience and capacity these countries have displayed is indeed commendable. The momentum for development must not be lost."

Philippine President Ferdinand E. Marcos said that in a world filled with economic uncertainties and political turmoil, the bank "has made a significant contribution indeed."

"The developing countries are now perhaps poised to lead the world in economic growth," Mr. Marcos said the bank's need for further resources came at a time when the industrialized nations were suffering from "foreign aid fatigue" which took more account of their own problems than of developing countries' performances.

The chairman, Burmese deputy Premier U Nu Tin, said the bank's immediate need was to raise additional funds from its member countries to sustain the current pace of operations.

هكذا من الأصل

COMPANY REPORTS

Revenue, Profits in Millions, in local currencies, unless otherwise indicated

Canada			
Rho Algon			
1st Qtr.	1981	1980	
Revenue	21.1	22.7	
Profits	0.3	1.2	
Per Share	0.3	1.2	
France			
Moët-Hennessy			
Year	1981	1980	
Revenue	342.7	311.6	
Profits	51.6	46.2	
Per Share	51.6	46.2	
Great Britain			
BAT Industries			
Year	1981	1980	
Revenue	1,270.0	1,430.0	
Profits	250.0	260.0	
Per Share	8.50	8.50	
House of Fraser			
Year	1981	1980	
Revenue	77.4	77.4	
Profits	28.0	28.0	
Per Share	0.85	0.85	
Pearson & Co.			
Year	1981	1980	
Revenue	70.2	70.2	
Profits	43.7	43.7	
Per Share	7.45	7.45	

Japan			
Matsushita Electric Ind.			
1st Qtr.	1981	1980	
Revenue	87,720	77,200.0	
Profits	34,585	31,754	
Per Share	222.3	210.6	
Mitsubishi Ltd.			
Year	1981	1980	
Revenue	584,020	544,110	
Profits	10,710	10,710	
Per Share	10.0	10.0	
United States			
Amoretti Hess			
1st Qtr.	1981	1980	
Revenue	2,370.0	2,660.0	
Profits	162.0	174.5	
Per Share	1.19	1.28	
Colgate-Palmolive			
1st Qtr.	1981	1980	
Revenue	1,230.0	1,200.0	
Profits	53.85	52.04	
Per Share	0.65	0.65	
LTV Corp.			
1st Qtr.	1981	1980	
Revenue	1,490.0	1,750.0	
Profits	0.46	1.03	
Per Share	0.46	1.03	
Mobil Corp.			
1st Qtr.	1981	1980	
Revenue	14,400.0	17,100.0	
Profits	36.0	44.0	
Per Share	0.77	1.50	

Japan's Autoworkers Underpaid, Fraser Says

By Tracy Dahlby
Washington Post Service

TOKYO — In a bid to get Japanese union leaders to bargain for higher wages and shorter working hours, United Auto Workers President Douglas A. Fraser said Thursday that autoworkers here have contributed to rising joblessness in the United States through a policy of overworking and underpaying their employees.

In a speech for delivery to a two-day world auto conference sponsored by the International Metalworkers' Federation, Mr. Fraser said Japanese autoworkers "continue to underpay (their) workers at home, and use their low-wage advantages to undercut workers in North America."

In Tokyo this week, Mr. Fraser has called on Japanese union leaders to press autoworkers for better wages and benefits, which he says would help narrow the gap between Japanese and U.S. labor costs and put competition on a more equal basis.

Mr. Fraser's foray has met with a cool response from automobile

executives and union officials here. They contend that Japan's strong competitive edge is the result of higher rates of productivity in the industry here and the failure of U.S. automakers to re-tool assembly lines and turn around defunct divisions.

In the background of Mr. Fraser's visit is last year's record U.S. trade deficit with Japan of \$16 billion, more than three-quarters of which UAW officials have attributed to Japanese car sales in the United States.

"Such a one-sided, lopsided, discriminatory trade policy at a time of devastating unemployment (in the United States) has created an enormous political backlash that threatens our international economic system," Mr. Fraser said.

He said Japanese autoworkers had a "major responsibility" for rising protectionist sentiment in the United States. He said the UAW was committed to a campaign to muster support in Congress for legislation requiring foreign automakers with large car sales in the United States to produce a share of those cars on U.S. soil.

2,200 hours they spend on the job yearly compared unfavorably with the 1,900-hour average in the United States.

Mr. Fraser, who has actively lobbied Japanese automakers to increase investment in U.S. production, told reporters that the wage gap had little to do with the difficulties faced by the U.S. industry and blamed poor management practices.

Tariff Abolition Urged

TOKYO (AP) — Japanese businessmen urged the government Wednesday to abolish trade tariffs and remove import quotas on a wide range of agricultural products to ease trade friction with other countries.

Farmers immediately expressed opposition.

Massaya Miyoshi, managing director of Keidanren, the federation of employers that includes 930 major companies, said that measures including the removal of residual import quotas on primarily agricultural products would improve Japan's relations with the United States and Western Europe.

Residual import quotas include leather products and 22 agricultural products such as beef, processed cheese, oranges, fish, shellfish, fruit juice, tomato ketchup and canned pineapples.

Hisaichi Oki, a spokesman for the National Federation of Agriculture Cooperatives, said that because Japan is the world's largest importer of farm products, "it is ridiculous that we are pressured to further open our market. He said Japan should stop its 'torrential' exports and stimulate its domestic economy to import more foreign goods.



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Slimmed-Down A&P Feels Fit to Face Future

(Continued from Page 13)

far enough. Terence J. McEvoy, food analyst for Dean Witter Reynolds, said, "The new management is certainly on the right track in cutting back to a core of profitable stores, but there's still a lot of excess, unproductive properties left."

The company is preparing to take two further remedial steps. First, it is cutting back on its Plus food discount stores, which were introduced with fanfare two years ago and rapidly increased to 50 units. The program has been reduced to 35 stores and may be phased out.

A favorite of the Tengelmann ownership because its similar stores have done well in West Germany, the Plus stores did not catch on in the United States.

Second, A&P is working with some unions in the East to obtain concessions. Mr. Wood said discussions were going on "only in marginal areas where we have sustained short-term losses."

The 123-year-old company, which has fallen from the top spot in volume among national supermarkets and now trails Safeway Stores and Kroger, has been cast in an ironic role because it has been giving up some of the principal characteristics that made it successful during its first century.

In 1859, George Huntington Hartford opened the first store in lower Manhattan, selling tea at 30 cents a pound, less than half the

going price, by eliminating the middleman. By 1930 the company was operating some 15,000 stores across the country.

Stores were opened as quickly as one every three days and John Hartford, one of George's sons, once commented, "We went so fast that hobs hopping off freight trains were hired as managers."

Slow to Modernize

But, after World War II, A&P was slow to modernize, to open larger stores and to add nonfood items.

Since 1974, A&P has closed 2,300 stores, almost all small, obsolete units, discharged 60,000 employees and shut most of its manufacturing plants. The corporate surgery was begun by Jonathan L. Scott, who resigned in April, 1980 and was succeeded by Mr. Wood. He has continued the reduction program.

But Mr. Wood insists that his cutbacks differ from earlier ones. When 1,600 stores were closed in 1975 and 1976, the amount of sales given up was \$1.3 billion. But in the more recent closings, 400 stores that had sales of \$1.8 billion were shut.

"That's because the earlier stores closed were all small and obsolete and it was a scatter-gun approach," Mr. Wood said.

"But in the recent moves we simply decided to close out entire markets where we had lost our place."

He is convinced that the concentration on profitable markets, the pension plan's surplus of \$200 million and the cost savings from the cutbacks will put A&P into the black this year for the first time since 1976. "I am not expecting any monumental loss in any quarter this year," Mr. Wood said.

The company is banking on its new "P and Q" program, an emphasis on price and quality, and on stressing its strengths, which include meat and produce.

Reaction, however, varies. Walter F. Loeb, senior analyst for Morgan Stanley, said, "A&P has not had a strong focus and the 'P and Q' program is confusing. It still needs to close many more of its smaller stores."

"A&P isn't alone in having that problem. Safeway Stores, too, is finding that it has to get rid of smaller, obsolete units. The problem for widely dispersed food chains is that there are too many regional operators which have a strong following."

Allan M. Feder, who resigned last September as A&P's senior executive vice president and president of the manufacturing group when he learned that his operations would be sharply reduced, said the company could have continued its production activities by selling more products to other retailers but decided that it wanted to be exclusively a retailer.

"Now, they are a cash-rich company because of the pension fund surplus and the considerable proceeds from stores and plants," he said. "That leaves them good investment funds to renovate and improve their stores."

And it is still a very big company, with 1,100 stores and 45,000 employees. It is the largest supermarket chain in the metropolitan New York area and a major one along the East Coast. It still operates in 28 states, only two fewer than in 1975.

In addition, the efforts being made by the company, along with its confidence of a return to profitability this year, have piqued the interest of analysts — for the first time in years.

Mr. Fraser's foray has met with a cool response from automobile executives and union officials here. They contend that Japan's strong competitive edge is the result of higher rates of productivity in the industry here and the failure of U.S. automakers to re-tool assembly lines and turn around defunct divisions.

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Panel Gives Damages to Merrill Lynch

By Susan C. Faludi
New York Times Service

NEW YORK — Drexel Burnham Lambert has been ordered by a New York Stock Exchange arbitration panel to pay Merrill Lynch, Pierce, Fenner & Smith damages of \$250,000 for improper recruiting practices.

Drexel Burnham Lambert was accused of luring away four Merrill Lynch account executives in a conspiracy to move business to its New Orleans branch.

The five-member panel, whose decision was unanimous, Tuesday also ordered three of the four former account executives in the New Orleans office of Merrill Lynch to pay fines ranging from \$25,000 to \$12,500 for breaching their contracts with the securities firm.

Merrill Lynch, which has an extensive training program for securities employees, has raised objections about securities firms luring its staff away. Its employee contract requires that staff members agree that they will not solicit Merrill Lynch accounts for one year after they leave the firm and will not take away or copy any of the firm's records.

Merrill Lynch had charged that the four executives, who went to work for the New Orleans office of Drexel Burnham Lambert in 1981, in addition to soliciting Merrill Lynch's customers, had taken and copied Merrill Lynch's books and records for Drexel Burnham Lambert.

Merrill Lynch filed suit against the executives in September, 1981, asking for \$1 million in damages from the four defendants, as well as a restraining order forbidding them to continue to use the information. The court sent the case to arbitration at the New York Stock Exchange.

New Renault Car Is Called Crucial To AMC Survival

United Press International

SOUTHFIELD, Mich. — The future of American Motors, which reported a \$51 million loss in the first quarter, hinges on the success of the Renault Alliance car for the 1983 model year, the chairman of the French automaker said.

Chairman Bernard Hanson said Renault, which is in a partnership with AMC, would be satisfied with sales of only 600 Alliance cars a day, the Kenosha News reported Wednesday. He said the daily break-even point had been reduced from 600 to 800 units a day to 500 to 550 cars at the Kenosha plant, largest of three AMC plants in this country.

"All it takes to turn AMC from red to black is one or two successful models," Mr. Hanson said, "and a successful year for the Alliance would melt AMC's 'negative snowball' and spark an increase in Jeep sales."

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